6.2 Financial Management: Revenue and Debt Management

DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE
STANDARD OPERATING PROCEDURE

public works
& infrastructure

Department:
Public Works and Infrastructure
REPUBLIC OF SOUTH AFRICA

public works
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SOP AUTHORISATION AND SIGNOFF

I, the undersigned, in my capacity as indicated below at the National Department of Public Works, herewith approve this Standard Operating Procedure for implementation in accordance with the mandate granted to me in terms of the Public Finance Management Act, 1999 (Act No 1 of 1999) and any other relevant Acts and Regulations.

NAME AND DESIGNATION	SIGNATURE	DATE APPROVED
TBA	TBA	TBA

The following individual/s can be contacted, should there be any query regarding the content of this SOP:

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1. DEFINITION AND ACRONYMS

1.1 DEFINITIONS

TERM	FULL DESCRIPTION
Asset Register	A record of asset information including inventory, historical, condition, technical and financial information.
Authorisation	The amount authorised on the system that will allow the project manager to make payments. This will include the contract amount, CPAP, approved variation order / site instructions, other additions as approved by the relevant authority.
Centralised Supplier Database	A single database hosted by National Treasury to serve as the source of all supplier information for all spheres of government wherein suppliers self-register as prospective suppliers to government.
Constitution	The Constitution of the Republic of South Africa, 1996
Construction	Everything that is constructed or results from construction operations regarding the building of infrastructure.
Consultant	A person, company or close corporation that provides expert or specialised advisory skills / services. A consultant does not supply the ultimate end product, but provides a recommendation of the best solution/s to a specific need based on his / her / their expertise.
Contract	Agreement (explicit or implied) legally binding two or more parties to the terms of the agreement.
Contractor	A generic term to include any person/entity with whom DPW enters into a contract for professional design services, construction or supply of goods and services.
Entity	An Organ of State that is mandated to procure on behalf of itself or another Organ of State as delegated in terms of GIAMA and/or the PFMA.
Financial Statements	Statements consisting of at least: (a) A balance sheet, (b) An income sheet, (c) A cash-flow statement (d) Any other statements that may be prescribed, and Any notes to these statements.

TERM	FULL DESCRIPTION
Infrastructure Delivery Management System	Also known as IDMS. This government standard establishes an infrastructure delivery management system comprising processes, procedures and methods within an institution for the delivery or maintenance of infrastructure in a staged, systematic, disciplined, uniform integrated and auditable manner. It covers the manner in which projects involving the construction, refurbishment, rehabilitation, extension, alteration or day-to-day, routine, scheduled and emergency maintenance of infrastructure are conceived, budgeted for and delivered.
Lease	Both a Landlord/Lessor and a Tenant/Lessee can lease the property and where a Landlord/Lessor leases the property, it means that it rents it out to the Tenant/Lessee.
National Treasury	The National Treasury or Provincial Treasury, as defined in section 1 of the PFMA.
Operation	Combination of all technical, administrative and managerial actions, other than maintenance actions, that results in the item being in use.
Policy	Principles used to guide good decision-making.
Portfolio	The total extent of immovable assets controlled or used by a National or Provincial Department.
Programme	The grouping of a set of related projects in order to deliver outcomes and benefits related to strategic objectives which would not have been achieved had the projects been managed independently.
Quality	The totality of features and characteristics of a product or service that bears on the ability of the product or service to satisfy stated or implied needs.
Safety Net/ BankServ	Safety Net is the web Interface for Bankserv. It performs Supplier banking details Verification. Check Safety Net for verified or rejected banking details. BankServe is a payment system. Utilised for bank reconciliations. Printout of day end report or bank statement, which will contain all the invoices paid by Clients into the PMG account.
SAGE	Accounting Software used for Financial Transactions such as Accounting, Payroll, HR, ERP, CRM and payments.
Standard	The latest edition of the Standard for Infrastructure Procurement and Delivery Management as published by National Treasury.

TERM	FULL DESCRIPTION
Standard Operating Procedure	Detailed written instructions to achieve uniformity of the performance of a specific function.
User	A national or provincial department that uses or intends to use an immovable asset in support of its service delivery objectives and includes a custodian in relation to an immovable asset that it occupies or intends to occupy, represented by the Minister of such national department, Premier of a province or MEC of such provincial department, so designated by the Premier of that province.

1.2 ACRONYMS

ACRONYM	FULL DESCRIPTION
AFS	Annual Financial Statements
DPWI	Department of Public Works and Infrastructure
GIAMA	The Government-Wide Immovable Asset Management Act, Act No 19 of 2007
GL	General Ledger
GRAP	Generally Recognised Accounting Practise
IDMS	Infrastructure Delivery Management System
KPI	Key Performance Indicator
MANCO	Management Committee
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NT	National Treasury
PFMA	Public Finance Management Act
REMS	Real Estate Management Services
RSA	Republic of South Africa
SOP	Standard Operating Procedure

2. DOCUMENT PURPOSE

The purpose of this Standard Operating Procedure (SOP) is to establish a standardised procedure for the Department of Public Works (DPW) providing accommodation and built environment services to National Government User Departments.

This document contains a set of step-by-step process instructions, called procedures, to direct staff members, contractors and consultants when executing routine operations. The SOPs aim to achieve efficiency, quality output and uniformity of performance, while reducing miscommunication and ensuring compliance and consistency with all relevant Regulations, Policies and Guidelines.

3. SCOPE AND OBJECTIVE

3.1 THE OPERATING MODEL

The placemat is a set of primary and support activities that DPWI performs to provide accommodation and built environment services to National Government User Departments. Each Value Chain Activity in turn, decomposes into a lower level of processes and sub-processes.

Figure 1: DPWI Operating Model

DPWI Asset Lifecycle Management Methodology Operating Model
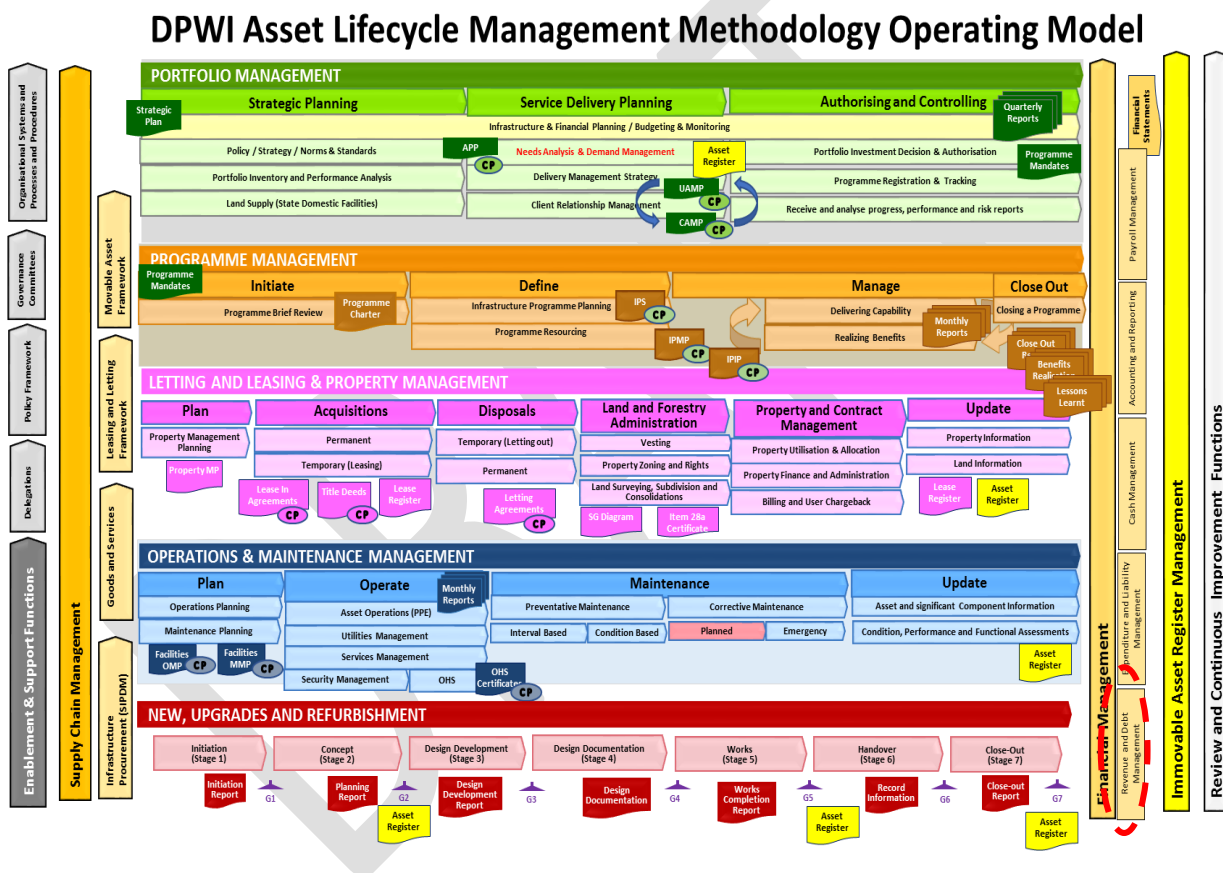
3.2 PROCESS SCOPE

The following process flow and sub-processes are documented in this SOP.

6.2 REVENUE AND DEBT MANAGEMENT					
6.2.1 MANAGE MASTER DATA	**6.2.2 PREPARE CLIENT INVOICE**	**6.2.3 MANAGE COLLECTIONS**	**6.2.4 MANAGE DEBTORS**	**6.2.5 MANAGE REPORTING**	**6.2.6 (10) MANAGE INFORMATION**
6.2.1.1 MANAGE IT PROTOCOLS	**6.2.2.1** MANAGE ACCOMODATION CHARGES	**6.2.3.1** MANAGE RECEIPT ALLOCATION	**6.2.4.1** MANAGE FORECASTING	**6.2.5.1** MANAGE KEY PERFORMANCE INDICATORS	**10.1** MANAGE DOCUMENT
6.2.1.2 MANAGE LETTING DATA	**6.2.2.2** MANAGE MUNICIPAL SERVICE CHARGES	**6.2.3.2** MANAGE REMITTANCE	**6.2.4.2** MANAGE AGE ANALYSIS & FOLLOW UP	**6.2.5.2** MANAGE INTERNAL REPORTING	**10.2** MANAGE BACK-UP
6.2.1.3 MANAGE CLIEBT DATA	**6.2.2.3** MANAGE OTHER RECOVERIES	**6.2.3.3** MANAGE UNALLOCATED RECEIPTS	**6.2.4.3** MANAGE DEBTORS RECONCILIATIONS	**6.2.5.3** MANAGE EXCEPTION REPORTING	
6.2.1.4 MANAGE PRESTIGE DATA	**6.2.2.4** MANAGE PRESTIGE INVOICING	**6.2.3.4** MALLOCATION REVERSALS (MISALLOCATIONS) ANAGE	**6.2.4.4** MANAGE DEBT IMPAIIRMENT	**6.2.5.4** MANAGE ANALYSIS & BENCHMARKING	
6.2.1.5 MANAGE CLIENT REVENUE TARRIFS & USER CHARGES	**6.2.2.5** MANAGE AUGMENTATION INVOICE	**6.2.3.5** MANAGE SUNDRY RECEIPTS	**6.2.4.5** MANAGE DEBT HANDOVER		
6.2.1.6 MANAGE PRESTIGE TARRIFS & USER CHARGES	**6.2.2.6** MANAGE SUNDRY INVOICES		**6.2.4.6** MANAGE DEBT WRITE OFF		
6.2.1.7 MANAGE AUGMENTATION SCHEDULE	**6.2.2.7** MANAGE INTEREST CHARGES		**6.2.4.7** MANAGE CREDIT ADJUSTMENTS		
6.2.1.8 MANAGE CREDIT PROVISION	**6.2.2.8** MANAGE INVOICE & STATEMENT DISTRIBUTION		**6.2.4.8** MANAGE SUNDRY DEBTORS		
6.2.1.9 MANAGE REGULATORY CHANGES			**6.2.4.9** MANAGE DEBTORS WITH CREDIT BALANCES		
6.2.1.10 MANAGE NT CIRCULARS INSTRCTIONS & POLICIES			**6.2.4.10** MANAGE DEBTOR DISPUTES		

4. PROCESS EXECUTION ENABLERS

4.1 EQUIPMENT REQUIRED

The following equipment is required to execute this SOP:

EQUIPMENT TYPE	DESCRIPTION
IT INFRASTRUCTURE AND HARDWARE	• All users implementing this SOP require access to basic IT infrastructure and hardware to support basic computer, information and telecommunication requirements.
IT SOFTWARE AND SYSTEMS	• All users implementing this SOP require access to all basic IT software required to produce e-mails and Microsoft documents. • All users involved with the construction and registration of projects also require access to the Works Control System (WCS). • All users involved with property management require access to the PMIS System. • All users involved with finance and payments require access to the LOGIS System, in line with their financial delegations and segregation of duty roles. • All users involved with property documentation require access to the Paper Trail system. • All users involved with the asset register require access to the Archibus System. • All users implementing this SOP require access to GIS. • All users involved with town planning require access to Windeed.
OFFICE EQUIPMENT	• All users implementing this SOP require access to all basic office equipment e.g. telephone, computer, printer and charging points for all mobile devices. • All users require appropriate and secure facilities for the storage and maintenance of hard copy confidential documents and contract documentation. • All users require adequate hard drive storage facilities for the storage and maintenance of electronic documentation. • All users require an adequate and externally located backup facility to ensure safeguarding of all process related material.
OTHER EQUIPMENT	• All users involved in Construction, Cleaning Services, Horticultural Services, and Facilities Maintenance require access to specialised construction related equipment, which includes Occupational Health and Safety (OHS) personal safety equipment.

4.2 ROLES

All personnel, departments, groups, contractors and/or subcontractors involved in the management, execution and/or monitoring of the processes set out in this SOP should familiarise themselves with the detailed contents thereof.

The following roles and impacted divisions are specifically identified within this SOP:

ROLES
Revenue and Debt Management
TBA

* The above list is grouped alphabetically.

4.3 REFERENCE DOCUMENTATION

The referenced documents listed below are indispensable for the knowledgeable application of this SOP. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced documents (including any amendments) apply.

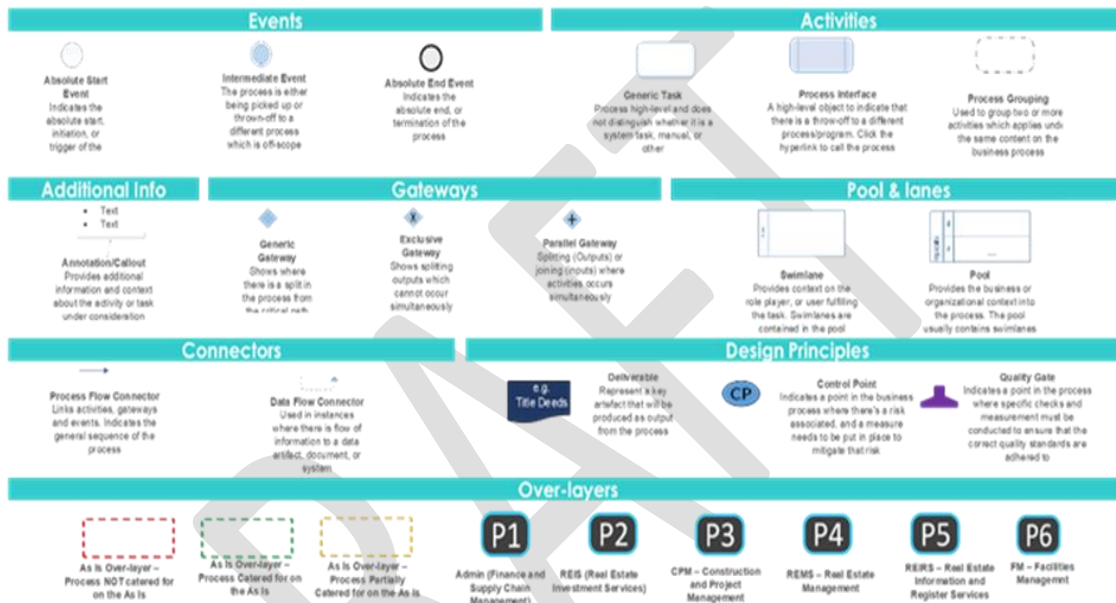| REFERENCE DOCUMENTATION |
| --- |
| **POLICIES** |
| SCM Policy |
| DPW Immovable Asset Disposal Policy, 2013 |
| **LEGISLATION, STANDARDS AND REGULATIONS** |
| Architectural Professional Act (Act No. 44 of 2000) |
| Broad Based Black Economic Empowerment Act (Act No. 53 of 2003) |
| Built Environmental Professions Act (Act No. 43 of 2000) |
| Construction Industry Development Board Act, 2000 (Act No. 38 of 2000) [CIDBA] |
| Construction Sector Transformation Charter, 2006 (Charter 2006) |
| Council for the Built Environment Act, 2000 (Act No. 43 of 2000) [CBEA] |
| Disaster Management Act (Act No. 57 of 2002) |

REFERENCE DOCUMENTATION
DPW Broad-based Black Economic Empowerment Strategy, 2006 (DPW BBBEES 2006)
Engineering Professions Act (Act No. 46 of 2000)
Environmental Conservation Act (Act No. 73 of 1989)
Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007) [GIAMA]
Green Building Framework, 2011
Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)
Land Affairs Act, 1987 (Act 101 of 1987)
Landscape Architectural Professional Act (Act No. 45 of 2000)
Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)
MTEF Guidelines (distributed annually)
National Treasury, *Occupational Health and Safety Specification for Construction Works Contracts*, National Treasury and Construction Industry Development Board
National Treasury, *Standard for a Construction Procurement System*, National Treasury and Construction Industry Development Board.
Occupational Health and Safety Act, 1993 (Act 85 of 1993)
Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
Professional Council Acts that regulate the six Built Environment Professions (BEPs)
Project and Construction Management Profession Act (Act 48 of 2000)
Property Management Strategy on BBBEE, Job Creation and Poverty Alleviation, 2007 (PMS BBBEE 2007)
Property Sector Transformation Charter, 2007 (Charter 2007)
Public Service Act, 1994 (Proclamation R103 of 1994)
Public Finance Management Act, 1999 (Act No. 1 of 1999) [PFMA]
National Environmental Management Act (Act No. 107 of 1998)
National Environmental Management Waste Act (Act No. 59 of 2008)
National Infrastructure Maintenance Strategy (NIMS)
National Railway Safety Regulator Act (Act No. 16 of 2002)
National Spatial Development Perspective, 2006
National Treasury, Standard for Infrastructure Delivery Management System,
National Veld Fire Act (Act 101 of 1998)
Property Sector Charter Codes gazetted in June 2012 in terms of section 9(1) of the BBBEE Act 53 of 2003
Property Valuers Profession Act (Act 47 of 2000)
Quantity Surveying Profession Act (Act 49 of 2000)
State Land Disposal Act, 1961 (Act No. 48 of 1961)
Supply Chain Management Framework as published in Gazette No. 25767 dated 5 December 2003

REFERENCE DOCUMENTATION
The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) [Constitution]
Construction Industry Development Board Act, 2000 (Act No. 38 of 2000) [CIDBA]
DPW White Paper: Creating an Enabling Environment for Reconstruction, Growth and Development in the Construction Industry, 1999 [White Paper (1999)]
White Paper – Public Works: Towards the 21st Century (1997) [White Paper (1997)]

GUIDELINES, DOCUMENTS, PROGRAMMES, MANUALS AND HANDBOOKS
Association of local Government Engineering NZ and National Asset Management Steering (NAMS) Group. International Infrastructure Management Manual – South African Edition 2006. ISBN No 0-473-10685-X
Department Co-operative Government and Traditional Affairs. Municipal Infrastructure - An Industry Guide to Infrastructure Service Delivery Levels and Unit Costs. January 2010
IDM Toolkit. Delivery Management Guidelines: Delivery Process 1 - Portfolio Management. www.cidb.org.za/_layouts/toolkit/index.html
Interim Business Process for Planning and Precinct Development (PPD), version 1
Interim Guidelines for Investment Analyst, August 2007
Investment Analysis Checklist
KAM Regional Office Processes: signed on 07/08/2008
National Department of Public Works. Guidelines for Users - User Asset Management Plans (UAMPs) http://toolkit.cidb.org.za/Shared%20Documents/DP2-S10%20Guideline%20for%20U-AMP%20(2008-10-20)%20Version%201.pdf#search=UAMP
National Youth Service, 2007
PMTE Budget Framework Document (issued by Financial Planning)
PW 344 APPROPRIATE DEVELOPMENT OF INFRASTRUCTURE ON DOLOMITE: GUIDELINES FOR CONSULTANTS
Public Works Property Management Strategy (Black Economic Empowerment Guidelines), 2007

5. PROCESS AND PROCEDURE

5.1 PROCESS LEGEND

Notations Dictionary

Events

- **Absolute Start Event** — Indicates the absolute start, initiation, or trigger of the
- **Intermediate Event** — The process is either being picked up or thrown-off to a different process which is off-scope
- **Absolute End Event** — Indicates the absolute end, or termination of the process

Activities

- **Generic Task** — Process high-level and does not distinguish whether it is a system task, manual, or other
- **Process Interface** — A high-level object to indicate that there is a throw-off to a different process/program. Click the hyperlink to call the process
- **Process Grouping** — Used to group two or more activities which applies under the same content on the business process

Additional Info

- Text
- Text

Annotation/Callout — Provides additional information and context about the activity or task under consideration

Gateways

- **Generic Gateway** — Shows where there is a split in the process from the critical path
- **Exclusive Gateway** — Shows splitting outputs which cannot occur simultaneously
- **Parallel Gateway** — Splitting (Outputs) or joining (inputs) where activities occurs simultaneously

Pool & lanes

- **Swimlane** — Provides context on the role player, or user fulfilling the task. Swimlanes are contained in the pool
- **Pool** — Provides the business or organizational context into the process. The pool usually contains swimlanes

Connectors

- **Process Flow Connector** — Links activities, gateways and events. Indicates the general sequence of the process
- **Data Flow Connector** — Used in instances where there is flow of information to a data artifact, document, or system

Design Principles

- **e.g. Title Deeds** — **Deliverable** — Represent a key artifact that will be produced as output from the process
- **CP** — **Control Point** — Indicates a point in the business process where there's a risk associated, and a measure needs to be put in place to mitigate that risk
- **Quality Gate** — Indicates a point in the process where specific checks and measurement must be conducted to ensure that the correct quality standards are adhered to

Over-layers

- **As Is Over-layer** — Process NOT catered for on the As Is
- **As Is Over-layer** — Process Catered for on the As Is
- **As Is Over-layer** — Process Partially Catered for on the As Is
- **P1** — Admin (Finance and Supply Chain Management)
- **P2** — REIS (Real Estate Investment Services)
- **P3** — CPM – Construction and Project Management
- **P4** — REMS – Real Estate Management
- **P5** — REIRS – Real Estate Information and Register Services
- **P6** — FM – Facilities Management

5.2 REVENUE AND DEBT MANAGEMENT

The Revenue and Debt Management processes incorporates the different processes which are involved in the Generation and Invoicing of Revenue, as well as the processes involved in the subsequent collection and management of outstanding invoices (i.e. debtors / account receivable). This process is sometimes referred to as the Order to Cash process.
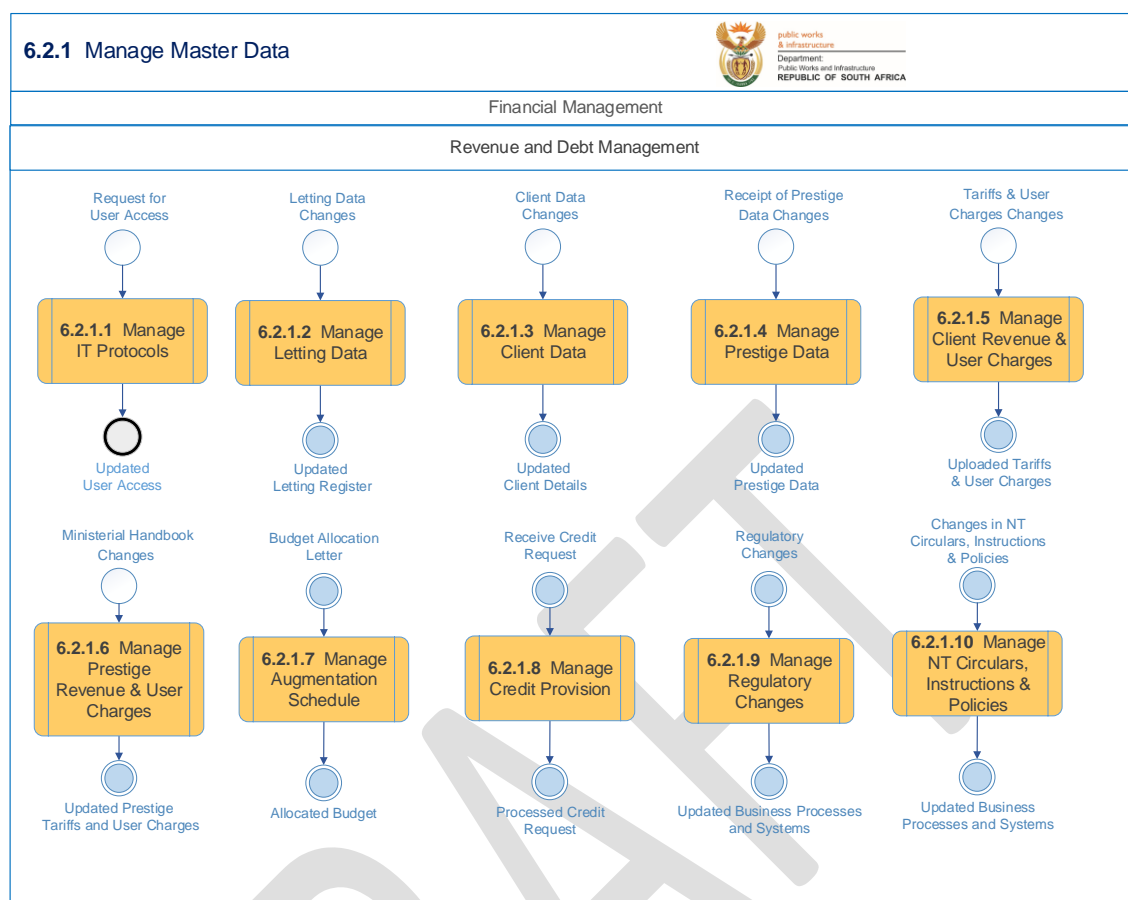
The Revenue processes incorporates the different DPWI revenues and includes both Revenues from Exchange Transactions and non-Exchange Transactions. Revenue management includes the use of analytics to analyse demand and maximize return on assets, in an effort to boost revenue income.

The Debt Management processes include management of Accounts Receivable (debtors), including impairment and debt-follow up. Debt management is mostly geared at driving maximum collection of debts due to DPWI in the shortest possible time using appropriate collection techniques and customer management strategies. This is a critical component of Working Capital Management.

5.2.1 MANAGE MASTER DATA

PROCESS NAME	Manage Master Data
PROCESS OBJECTIVE	The objective of this process is to provide standard mechanisms to handle data and record changes.
INITIATING PARTY / PROCESS	➢ Information Technology (IT) ➢ Financial Management ➢ Legislative/ Regulatory requirements
INITIATING EVENT / TRIGGER	➢ Receipt of Data Amendments or Additions ➢ Request for User Access
OUTPUT / RECORDS PRODUCED	Updated and Managed Change including: ➢ User Access ➢ Lease Information ➢ Customer Information ➢ Standard Chart of Accounts ➢ Accounting Standards ➢ Accounting Policies ➢ Regulatory Changes ➢ National Treasury Circulars, Instruction and Policies
GOVERNANCE	➢ National Treasury Regulations /Instruction Notes and Circulars ➢ Public Finance Management Act, 1999 (Act No. 1 of 1999) [PFMA] ➢ IDMS ➢ GRAP Standards

Diagram 0: Manage Master Data Processes

6.2.1 Manage Master Data

Financial Management

Revenue and Debt Management

Request for User Access	Letting Data Changes	Client Data Changes	Receipt of Prestige Data Changes	Tariffs & User Charges Changes
6.2.1.1 Manage IT Protocols	**6.2.1.2** Manage Letting Data	**6.2.1.3** Manage Client Data	**6.2.1.4** Manage Prestige Data	**6.2.1.5** Manage Client Revenue & User Charges
Updated User Access	Updated Letting Register	Updated Client Details	Updated Prestige Data	Uploaded Tariffs & User Charges

Ministerial Handbook Changes	Budget Allocation Letter	Receive Credit Request	Regulatory Changes	Changes in NT Circulars, Instructions & Policies
6.2.1.6 Manage Prestige Revenue & User Charges	**6.2.1.7** Manage Augmentation Schedule	**6.2.1.8** Manage Credit Provision	**6.2.1.9** Manage Regulatory Changes	**6.2.1.10** Manage NT Circulars, Instructions & Policies
Updated Prestige Tariffs and User Charges	Allocated Budget	Processed Credit Request	Updated Business Processes and Systems	Updated Business Processes and Systems

5.2.1.1   Manage IT Protocols Process

Diagram 1: Manage IT Protocols Process Flow

6.2.1.1   Manage IT Protocols

Financial Management

Revenue and Debt Management

Request for User Access

1.1 Assess/ Review User Access Requirements

X

1.2 Request User Access

1.3 Remove/ Amend User Access

X

X

Not Approved → Send back to Requester

Approved

1.4 Update User Access

Updated User Access
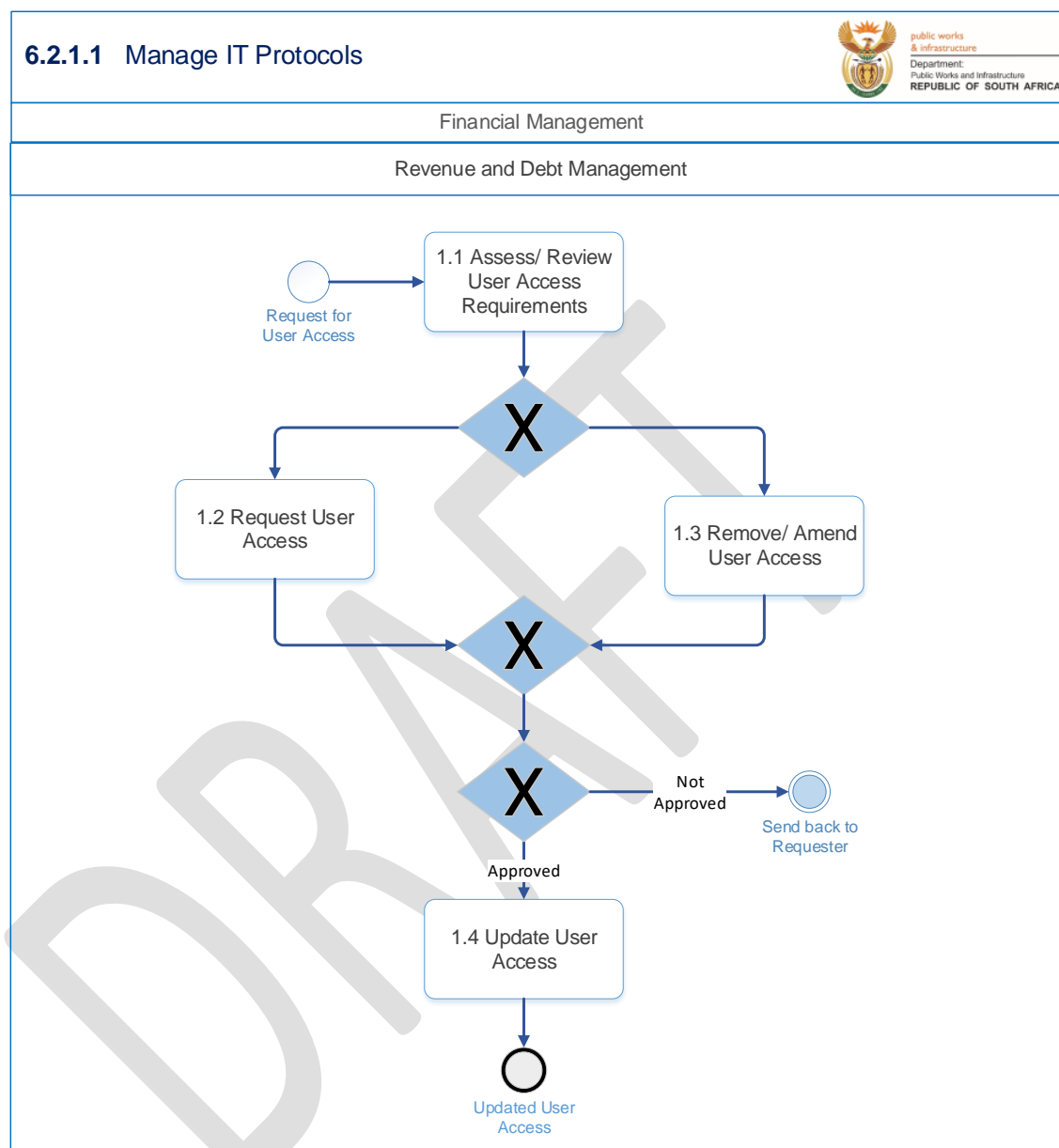
Table 1: Manage IT Protocols Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
1.	**MANAGE IT PROTOCOLS**			
1.1.	Assess / Review User Access Requirements	- Conduct an assessment of User Access requirement for each user needing access to the system. - Ensure that assessed privileges are aligned to User work requirements and should be granted on a "need-to-have" basis. - Prepare and forward Request for User Access or Access Removal / Amendment. *Note:* *User rights and privileges should be reviewed on a period basis to ensure that IT Access Control is kept up to date.* *Once User Requirements have been properly assessed and approved, you will need to either:* *Request User Access and allocate Permissions (refer to 1.2 below); or* *Remove / Amend Access rights of an existing User, whether in part or in whole (refer to 1.3 below).*	TBA	TBA
1.2.	Request User Access	- Receive User Access Request in line with Assessed User Requirements. - Ensure that all User details are completed correctly. - Obtain authorisation for user Access Request in line with the Approved Delegations and Approvals Framework.	TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
		• Forward approved request to IT.		
1.3.	Remove / Amend User Access	• Receive User Access Deactivation (Amendment) in line with Assessed User Requirements. • Review request to ensure that all User details are completed correctly. • Obtain authorisation for user Access Request in line with the Approved Delegations and Approvals Framework. • Forward approved request to IT.	TBA	TBA
1.4.	Update User Access	• Amend access/ permission as per approved User Request. • Update user privileges on relevant IT system.	TBA	TBA

5.2.1.2   Manage Letting Data Process
Diagram 2: Manage Letting Data Process Flow

6.2.1.2 Manage Letting Data

Financial Management

Revenue and Debt Management

3.5.1 Manage Property Utilisation and Allocation

2.1 Receive Letting Changes Details

- With Supporting Documents

2.2.1 Capture Letting Details

2.2.2. Verify Letting Details

X

Not Verified

Send to Requester to Update

Verified

2.3.1 Authorise Letting Details

2.3.2 Update Letting Details

Updated Letting Register

Table 2: Manage Letting Data Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
2.	**MANAGE LETTING DATA**			
2.1.	Receive Letting (Lease-out) Maintenance Request with Supporting Document	• Receive Letting (Lease-out) Maintenance Request with appropriate supporting documents. • Ensure that the data on the Maintenance Request is correctly completed and agree to the supporting documents. • Ensure that all letting data and/or Letting (Lease-out) data changes are incorporated into a lease agreement or addendum to lease agreement. **_Note:_** _This includes adding of NEW leases (letting) or changes to EXISTING leases (amendment of details, expiry, etc.)_	TBA	TBA
2.2.	Capture and Verify Letting (Lease-out) Details	• Receive Approved Letting (Lease-out) Details / changes to existing letting details with supporting documents. • Capture/Update approved Letting (Lease-out) Details on the system. • Verify correctness of captured details by reference to supporting documents and signed lease agreement.	TBA	TBA
2.3.	Authorise and Update Letting (Lease-out) Details & Register	• Obtain Internal Approval for captured Letting (Lease-out) Details / Amended Details, in line with Approved Delegations and Approval Framework.	TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
		• Update Letting (Lease-out) Database with approved Letting (Lease-out) details. ***Note:*** *For segregation of duties, the person who captures should not be the one authorizing.*		

5.2.1.3   Manage Client Data Process
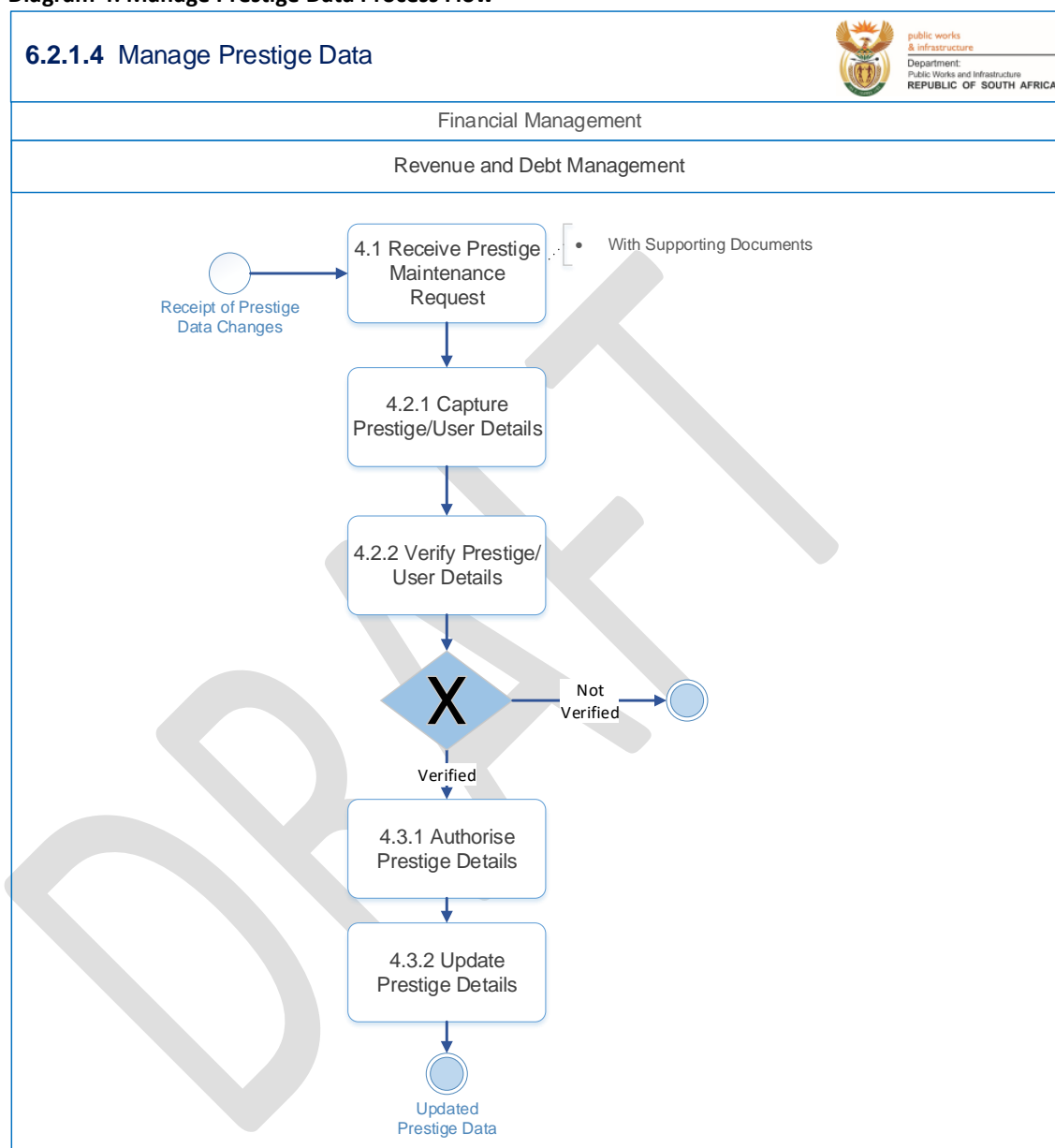
Diagram 3: Manage Client Data Process Flow

6.2.1.3 Manage Client Data

Financial Management

Revenue and Debt Management

- With Supporting Documents

3.1 Receive Client Maintenance Request

Receipt of Client Data Changes

3.2.1 Capture Client Details

3.2.2 Verify Client Details

X

Not Verified

Send to Requester for Update

Verified

3.3.1 Authorise Client Details

3.3.2 Update Client Details

Update Client Details
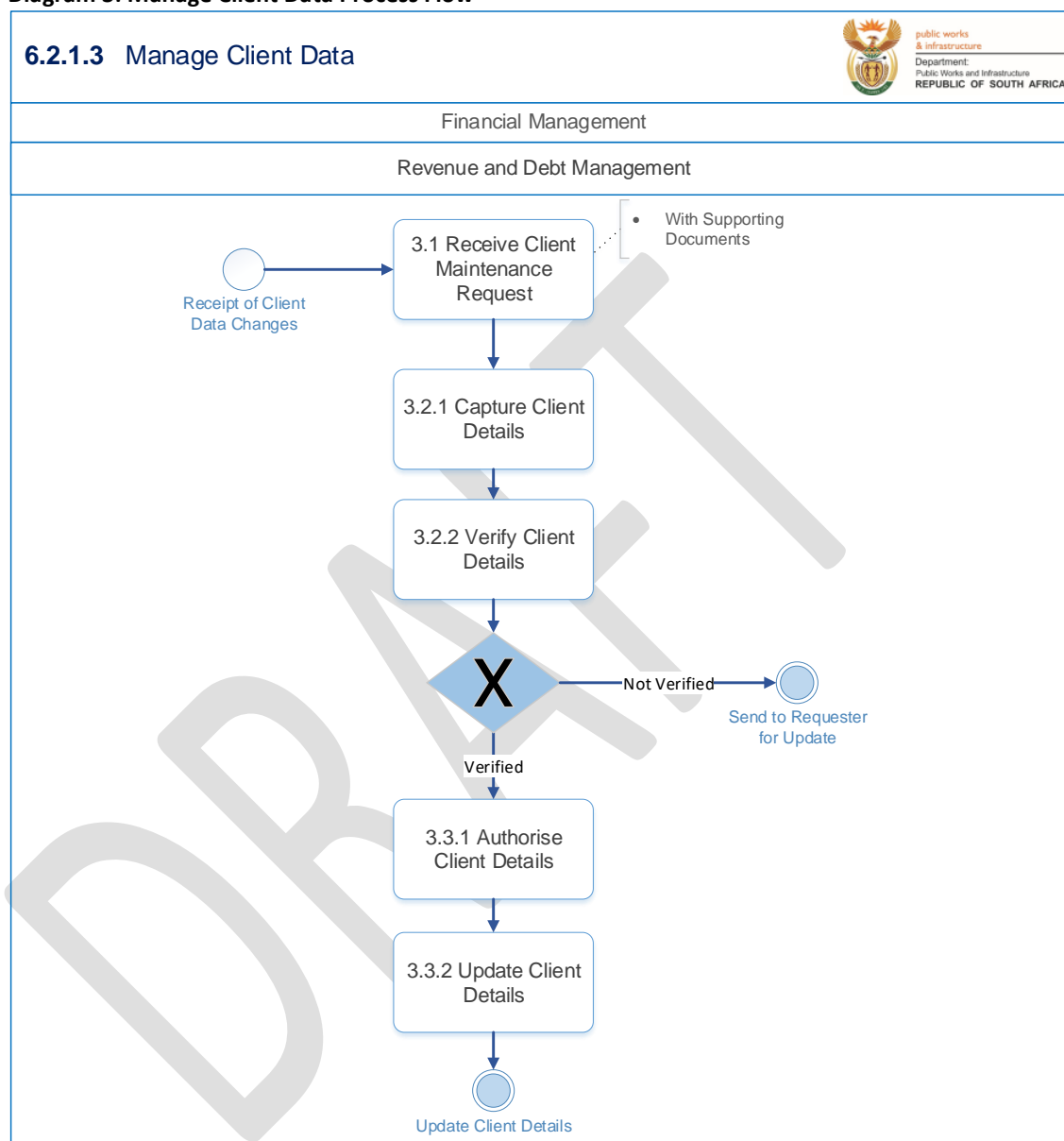
Table 3: Manage Client Data Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
3.	**MANAGE CLIENT DATA**			
3.1.	Receive Customer Maintenance Request with supporting documents	• Receive Customer Maintenance Request with appropriate supporting documents. • Ensure that the data on the Maintenance Request is correctly completed and agree to the supporting documents. **_Note:_** _This includes adding of NEW Clients/Customers or changes to EXISTING Clients/Customer details (amendment of details, removal of clients/customers from database, etc.)_	TBA	TBA
3.2.	Capture and Verify Client Details	• Receive Approved Client Details / changes to existing client details with supporting documents. • Capture/Update approved Client Details on the system. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
3.3.	Authorise and Update Client Details	• Obtain Internal Approval for captured Client Details / Amended Details, in line with Approved Delegations and Approval Framework. • Update Client Database with approved Client details. **_Note:_** _For segregation of duties, the person who captures should not be the one authorizing._	TBA	TBA

5.2.1.4   Manage Prestige Data Process

Diagram 4: Manage Prestige Data Process Flow

Table 4: Manage Prestige Data Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
4.	**MANAGE PRESTIGE DATA**			
4.1.	Receive Prestige Maintenance Request with supporting documents	• Receive Prestige Maintenance Request with appropriate supporting documents. • Ensure that the data on the Maintenance Request is correctly completed and agree to the supporting documents. *Note:* *This includes adding of NEW Prestige Clients/Users or changes to EXISTING Clients/User data or details (amendment of details, removal of clients/users from database, etc.)*	TBA	TBA
4.2.	Capture and Verify Prestige User/ Data Updates	• Receive Approved User / Data changes to existing Prestige details with supporting documents. • Capture/Update approved Prestige User / Data on the system. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
4.3.	Authorise and Update Prestige Details	• Obtain Internal Approval for captured Prestige User / Data Amended Details, in line with Approved Delegations and Approval Framework. • Update Prestige Database with approved User / Data details. *Note:*	TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
		For segregation of duties, the person who captures should not be the one authorizing.		

5.2.1.5   Manage Client Revenue Tariffs and User Charges Process

Diagram 5: Manage Client Revenue Tariffs and User Charges Process Flow

Table 5: Manage Client Revenue Tariffs and User Charges Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
5.	**MANAGE CLEINT REVENUE TARRIFFS AND USER CHARGES**			
5.1.	Review and Consider Market Research	• Review market research conducted utilizing various best practice guidelines and publications. • Consider impacts and emerging trends on tariffs and lease rates from market research.	TBA	TBA
5.2.	Determine Proposed Tariffs & User Charges	• Utilise various sources of information to determine draft / proposed Tariffs and User Charges at least annually. • Propose revised tariffs taking into account the following, at a minimum: ◦ Distinction of client/customer type (User Department / Private / etc.) ◦ Geography and demand for rental accommodation ◦ Etc.	TBA	TBA
5.3.	Assess Impact of Proposed Tariffs & User Charges	• Compare proposed Tariffs & User Charges to prior year and assess reasonability of annual increment. • Assess Impact of Proposed Tariffs & User Charges on Regulatory Framework & User Departments.	TBA	TBA
5.4.	Approve Tariffs & User Charges (Internal)	• Obtain Internal Approval for proposed Tariffs & User Charges, in line with Approved Delegations and Approval Framework.	TBA	TBA
5.5.	Obtain NT Approval for Tariffs & User Charges	• Obtain External Approval from NT **(where Applicable)** for Tariffs & User Charge.	TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
		Note: *This may only applicable to accommodation leased out to other state departments.*		
5.6.	Upload Approved Tariffs and User Charges	• Receive Approved Tariffs and User Charges / changes to existing Tariff and User Charges with supporting documents. • Capture/Update Approved Tariffs and User Charges on Financial System. • Verify correctness of captured details by reference to supporting documents. • Obtain Internal Approval for captured Tariffs and User Charges, in line with Approved Delegations and Approval Framework. • Update Tariff Database (or similar) with details of approved Tariff & User Charges. ***Note:*** *For segregation of duties, the person who captures should not be the one authorizing.*	TBA	TBA

5.2.1.6   Manage Prestige Tariffs and User Charges Process

Diagram 6: Manage Prestige Tariffs and User Charges Process Flow

Table 6: Manage Prestige Tariffs and User Charges Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
6.	**MANAGE PRESTIGE TARIFFS AND USER CHARGES**			
6.1.	Receive Updated Ministerial Handbook	• Receive Updated Ministerial Handbook as issued by National Government • Identify and Assess gazetted changes to Prestige Tariffs and User Charges.	TBA	TBA
6.2.	Update and Align Approved Prestige Tariffs & User Charges	• Receive Approved Prestige Tariffs and User Charges / changes to existing Prestige Tariff and User Charges with supporting documents. • Capture/Update Approved Prestige Tariffs and User Charges on Financial System. Verify correctness of captured details by reference to supporting documents.	TBA	TBA
6.3.	Authorise and Update Approved Prestige Tariffs & User Charges	• Obtain Internal Approval for captured Prestige Tariffs and User Charges, in line with Approved Delegations and Approval Framework. • Update Tariff Database (or similar) with details of approved Prestige Tariff & User Charges. ***Note:*** *For segregation of duties, the person who captures should not be the one authorizing*	TBA	TBA

5.2.1.7   Manage Credit Provision Process
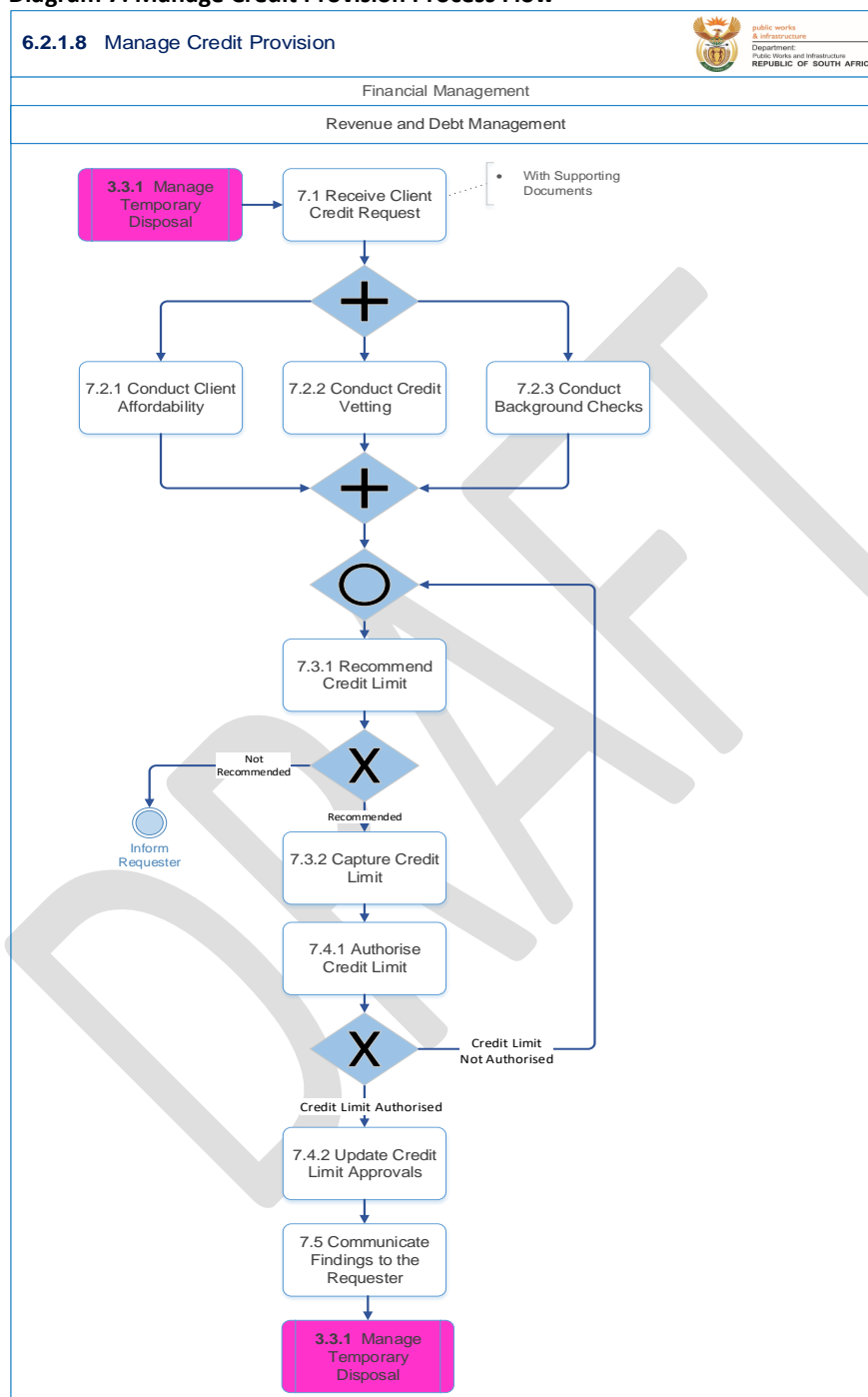
Diagram 7: Manage Credit Provision Process Flow

Table 7: Manage Credit Provision Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
7.	**MANAGE CREDIT PROVISION**			
7.1.	Receive Client Credit Request (Private Client) with Supporting Documents	• Receive Client Credit Request (Private Client) with Supporting Documents. • Ensure that the data on the Client Credit Request is correctly completed and agree to the supporting documents. _**Note:**_ _The Client Credit request should take into account the estimated monthly lease amount (or range) based on the Client accommodation needs._	TBA	TBA

7.2.	Conduct Client Affordability, Credit Vetting and Background Checks	• Perform the following checks, at a minimum, to assess Client Credit Risk and whether or not to grant credit:
		    o Client Affordability Assessment based on client historic and current income information (e.g. Audited AFS and Management Accounts, Bank Statements, Current Contracts, etc.)
		
		    o Credit Vetting and assessment of historic credit behaviour and current exposure using recognised Credit Bureau information
		
		    o Performing Background Checks (including checking of Criminal Records and Treasury Blacklisting Database) on the Client and the Directors of the Entity which is applying for credit.
		
		**Note:**
			TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
		Must ensure that there is full compliance with National Credit Act and other related Regulations. *Where required, additional information/documentation should be required from the Applicant Client/Customer to enable full and proper credit risk assessment.*		

7.3.	Recommend and Capture Credit Limit (where applicable)	• Recommend the following for internal approval, based on Client Credit Risk Assessment outcomes:
		  o Whether or not to accept Client based on the checks provided
		
		  o For Clients recommended for acceptance:
		
		    ▪ Whether or not to approve Credit Amount applied for.
		
		    ▪ Provide recommendation on acceptable Credit Limit that can be granted to client where this is less than what is applied for (if limit applied for is not approved).
			TBA	TBA

7.4.	Authorise and Update Credit Limit Approvals	• Receive Recommended Credit Assessment Outcomes with supporting documents. • Capture Proposed Credit Limit on Financial System. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
		• Obtain Internal Approval for captured Credit Limit, in line with Approved Delegations and Approval Framework. • Update Client/Customer Database with approved Credit details. **_Note:_** _For segregation of duties, the person who captures should not be the one authorizing._		
7.5.	Communicate Findings to the Requestor	• Communicate Outcomes/Findings to the Internal Requestor. • Communicate Credit Application outcome to Applicant Client / Customer.	TBA	TBA

5.2.1.8   Manage Regulatory Changes Process

Diagram 8: Manage Regulatory Changes Process Flow
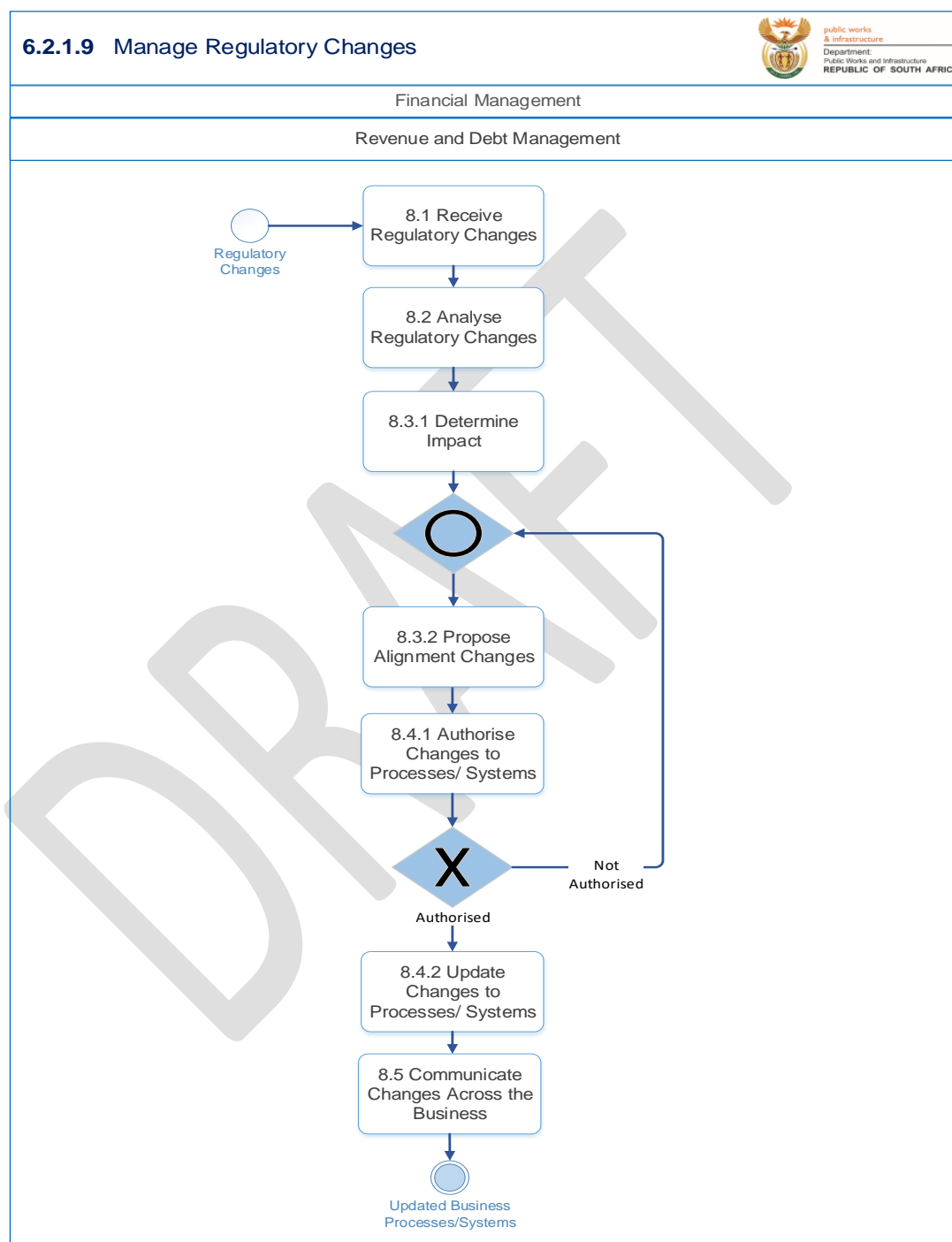
Table 8: Manage Regulatory Changes Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
8.	**MANAGE REGULATORY CHANGES**			
8.1.	Receive Regulatory Changes	• Identify and/or receive communication regarding any REGULATORY CHANGES that could affect the Department. ***Note:*** *This will be limited to Revenue and Debt related changes. Each unit is responsible for tracking changes that affect their area of responsibility. Legal Assistance may be required where necessary.*	TBA	TBA
8.2.	Analyse Regulatory Changes	• On identification / receipt, the documents must be carefully analysed to identify areas that are new / changed and that may affect Department business from a Revenue and Debt compliance or regulatory perspective.	TBA	TBA
8.3.	Determine Impact and Propose Alignment Changes	• Determine Impact of Regulatory Changes on existing Revenue and Debt Business Processes and Systems that are currently utilised by Department. • Identify areas within the existing Revenue and Debt Business Processes and Systems that are affected by such changes and propose alignment changes. • Compile Action Plan, with responsible persons, in order to align the existing Revenue and Debt Business Processes and Systems and cascade Regulatory Changes within the business.	TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
8.4.	Authorise and Update Changes to Processes/ Systems	• Obtain Internal Approval proposed Alignment Changes, and Action Plan, in line with Approved Delegations and Approval Framework. • Receive and implement the approved Revenue and Debt Business Processes and Systems Alignment changes in Budget Preparation processes. • Update Standard Operating Procedures documents to reflect above changes.	TBA	TBA
8.5.	Communicate Changes Across the Business	• Ensure that the implemented changes to Revenue and Debt Business Processes and Systems are communicated across the business to ensure that they are implemented effectively.	TBA	TBA

5.2.1.9 Manage National Treasury Circulars, Instructions and Policies Process

Diagram 9: Manage National Treasury Circulars, Instructions and Policies Process Flow
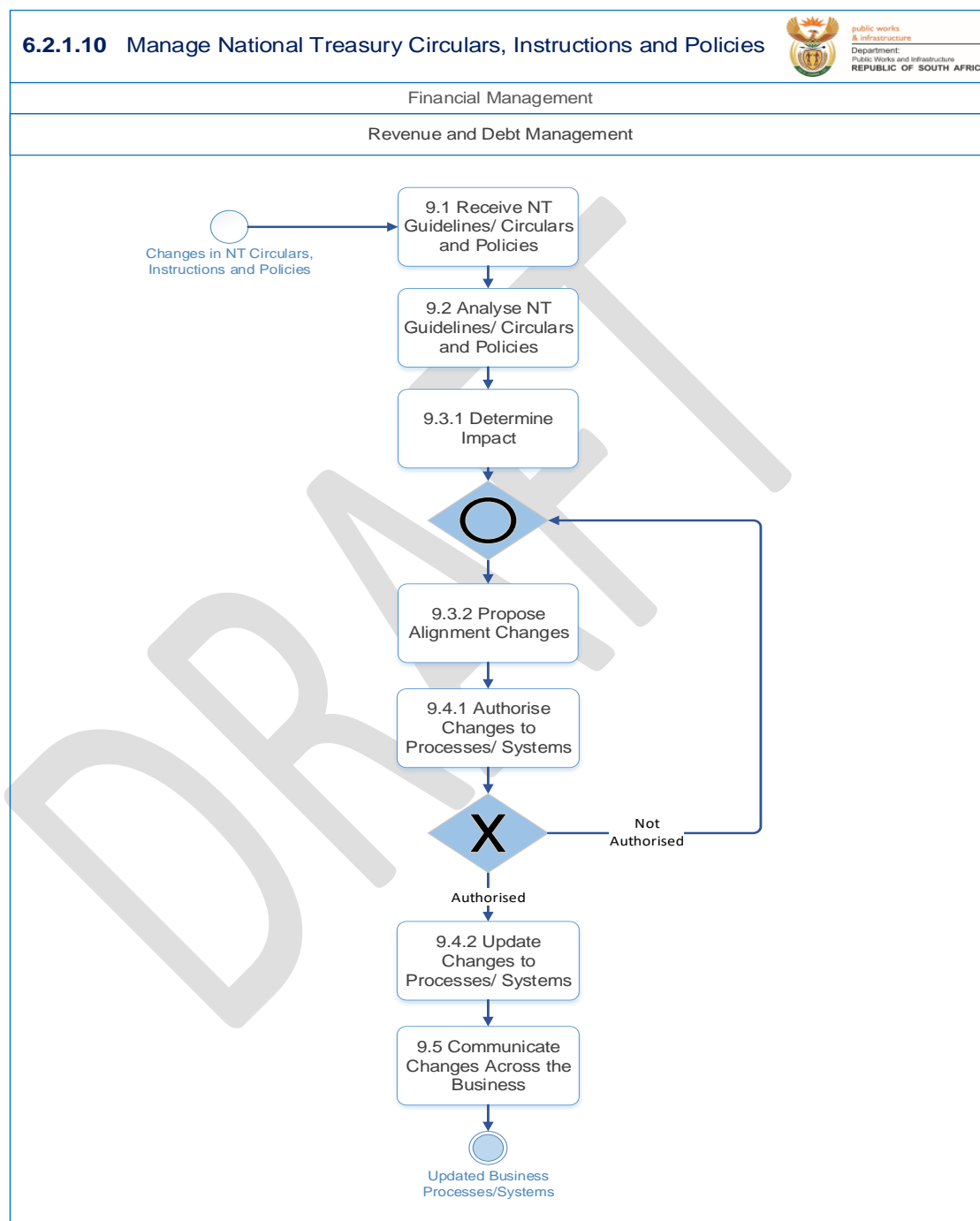
Table 9: Manage National Treasury Circulars, Instructions and Policies Activity Detail Table
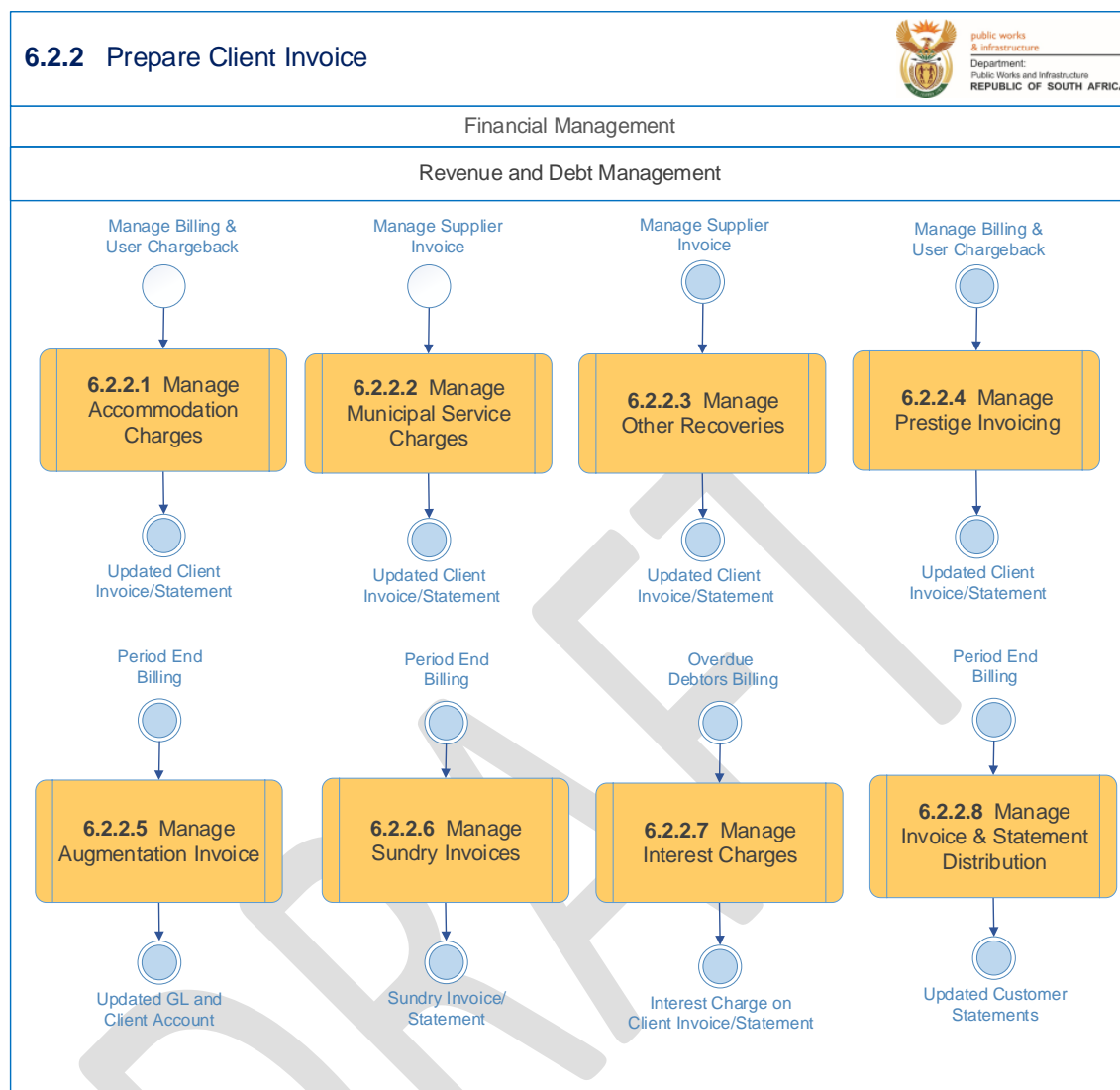
NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
9.	**MANAGE NATIONAL TREASURY CIRCULARS, INSTRUCTIONS & POLICIES**			
9.1.	Receive Guidelines/ Circulars and Policies from NT	• Receive National Treasury communication regarding any new/changes to existing TREASURY CIRCULARS, INSTRUCTIONS & POLICIES that could affect the Department. **_Note:_** _This will be limited to_ Revenue and Debt _related changes. Each unit is responsible for tracking changes that affect their area of responsibility. Legal Assistance may be required where necessary._	TBA	TBA
9.2.	Analyse Guidelines/ Circulars and Policies	• On identification / receipt, the documents must be carefully analysed to identify areas that are new / changed and that may affect Department business from a Revenue and Debt Regulatory perspective. • Where necessary, consult with the responsible person within the National Treasury to obtain clarity on any matters therein.	TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
9.3.	Determine Impact and Propose Alignment Changes	• Determine Impact of Regulatory Changes on existing Revenue and Debt Business Processes and Systems that are currently utilised by Department. • Identify areas within the existing Revenue and Debt Business Processes and Systems that are affected by such changes and propose alignment changes. • Compile Action Plan, with responsible persons, in order to align the existing Revenue and Debt Business Processes and Systems and cascade Regulatory Changes within the business.	TBA	TBA
9.4.	Authorise and Update Changes to Processes/ Systems	• Obtain Internal Approval proposed Alignment Changes, and Action Plan, in line with Approved Delegations and Approval Framework. • Receive and implement the approved Revenue and Debt Business Processes and Systems Alignment changes in Budget Preparation processes. • Update Standard Operating Procedures documents to reflect above changes.	TBA	TBA
9.5.	Communicate Changes Across the Business	• Ensure that the implemented changes to Revenue and Debt Business Processes and Systems are communicated across the business to ensure that they are implemented effectively.	TBA	TBA

5.2.2 PREPARE CLIENT INVOICE

PROCESS NAME	Prepare Client Invoice
PROCESS GOAL / OBJECTIVE	To ensure that all inputs necessary to prepare an invoice are considered, Ensure that invoices are issued accordingly and that the invoices are distributed to the various users as applicable
INITIATING PARTY / PROCESS	Finance REMS Projects Facilities Management
INITIATING EVENT / TRIGGER	➢ User Charges ➢ Prestige User Charges ➢ Projects ➢ Lease-Out ➢ Departmental Charges
OUTPUT / RECORDS PRODUCED	➢ User Department Invoice ➢ Updated Age Analysis Account Statement ➢ Debtor File
GOVERNANCE	➢ Public Auditors Act (PAA) ➢ National Treasury Regulations /Instruction Notes and Circulars ➢ Public Finance Management Act, 1999 (Act No. 1 of 1999) [PFMA] ➢ GRAP Standards

Diagram 0: Prepare Client Invoice Processes

6.2.2 Prepare Client Invoice			public works & infrastructure Department: Public Works and Infrastructure REPUBLIC OF SOUTH AFRICA

Financial Management

Revenue and Debt Management

Manage Billing & User Chargeback	Manage Supplier Invoice	Manage Supplier Invoice	Manage Billing & User Chargeback
6.2.2.1 Manage Accommodation Charges	**6.2.2.2** Manage Municipal Service Charges	**6.2.2.3** Manage Other Recoveries	**6.2.2.4** Manage Prestige Invoicing
Updated Client Invoice/Statement	Updated Client Invoice/Statement	Updated Client Invoice/Statement	Updated Client Invoice/Statement
Period End Billing	Period End Billing	Overdue Debtors Billing	Period End Billing
6.2.2.5 Manage Augmentation Invoice	**6.2.2.6** Manage Sundry Invoices	**6.2.2.7** Manage Interest Charges	**6.2.2.8** Manage Invoice & Statement Distribution
Updated GL and Client Account	Sundry Invoice/ Statement	Interest Charge on Client Invoice/Statement	Updated Customer Statements

5.2.2.1 Manage accommodation Charges Process
Diagram 1: Manage Accommodation Charges Process Flow

6.2.2.1 Manage Accommodation Charges	public works & infrastructure Department: Public Works and Infrastructure REPUBLIC OF SOUTH AFRICA

Financial Management

Revenue and Debt Management

3.5.3 Manage Billing and User Chargeback

1.1 Calculate Client Accommodation Charges

1.2 Prepare Itemised Client Bill/ Invoice

1.3.1 Authorise Client Invoice/ Statement

Not Authorised

X

Authorised

1.3.2 Update Client Invoice/Statement

Updated Client Invoice/Statement

Table 1: Manage Accommodation Charges Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
1.	**MANAGE ACCOMODATION CHARGES**			
1.1.	Calculate Client Accommodation Charges	• Calculate Client Accommodation Charges in line with Approved Client Revenue Tariffs and User Charges (Including Capital Charges).	TBA	TBA
1.2.	Prepare Itemised Client Bill/ Invoice	• Prepare Itemised Client Bill/ Invoice based on amounts to be invoiced to client/customer. • Ensure that the Invoice is prepared or captured on Financial System. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
1.3.	Update and Authorise Client Invoice/ Statement	• Obtain Internal Approval for Client Invoices, in line with Approved Delegations and Approval Framework. • Update and Authorise Invoice and Client Account.	TBA	TBA

5.2.2.2   Manage Municipal Service Charges Process
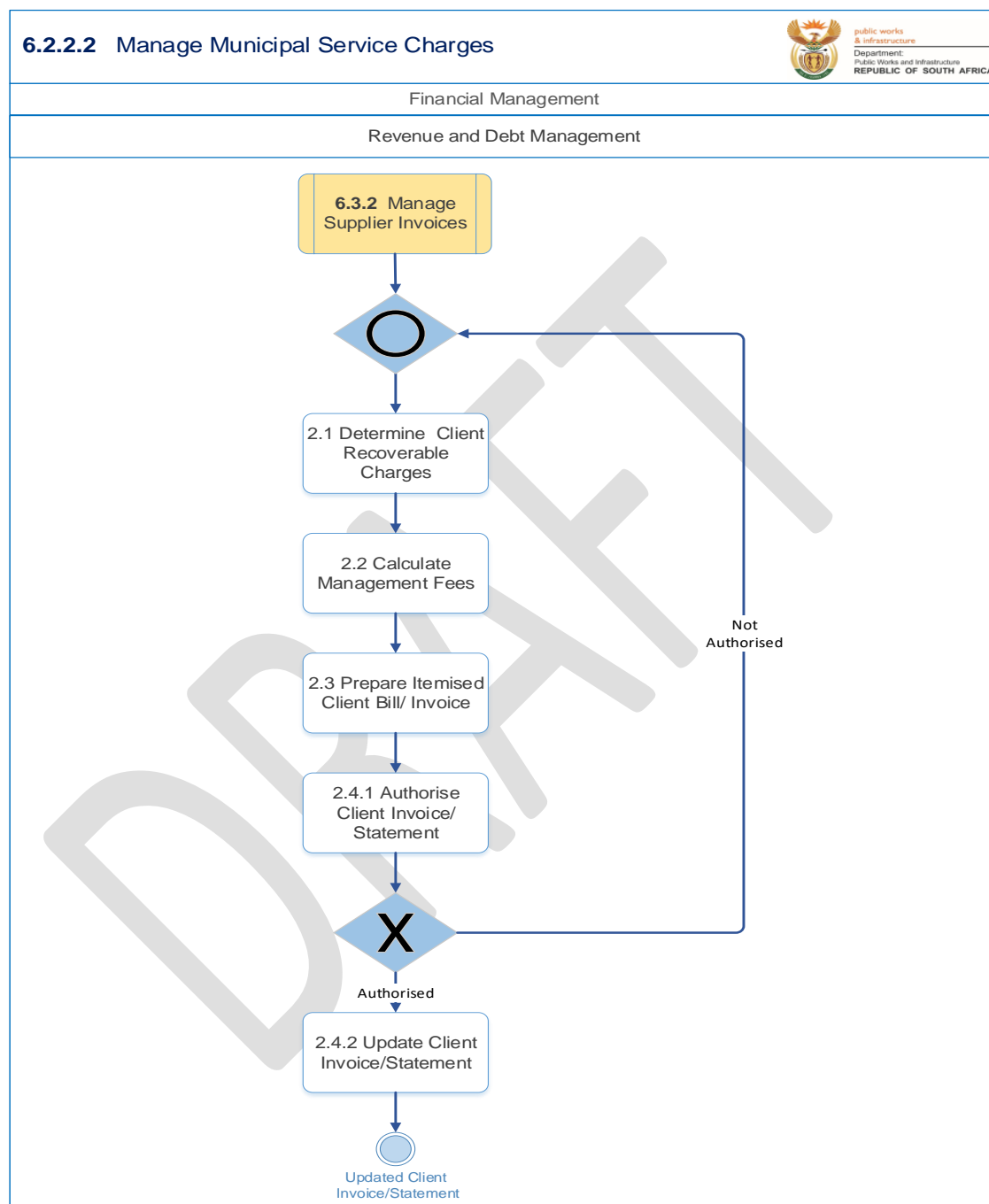**Diagram 2: Manage Municipal Service Charges Process Flow**

6.2.2.2 Manage Municipal Service Charges

Financial Management

Revenue and Debt Management

6.3.2 Manage Supplier Invoices

2.1 Determine Client Recoverable Charges

2.2 Calculate Management Fees

2.3 Prepare Itemised Client Bill/ Invoice

2.4.1 Authorise Client Invoice/ Statement

Not Authorised

X

Authorised

2.4.2 Update Client Invoice/Statement

Updated Client Invoice/Statement

DPWI Internal

Table 2: Manage Municipal Service Charges Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
2.	**MANAGE MUNICIPAL SERVICE CHARGES**			
2.1.	Determine Client Recoverable Municipal Service Charges	• Identify Flagged Recoverable Expenses relating to Client Recoverable Municipal Service Charges in line with the **Manage Invoice Processing** process (Expenditure and Liability Management). • Assess completeness of Identified / Flagged Recoverable Expenses relating to Client Recoverable Municipal Service Charges. • Determine Recoverable Expenses to be billed in the current bill run (period) in line with above.	TBA	TBA
2.2.	Calculate Management Fees	• Calculate Management Fees in line with Approved Client Revenue Tariffs and User Charges (where applicable).	TBA	TBA
2.3.	Prepare Itemised Client Bill/ Invoice	• Prepare Itemised Client Bill/ Invoice based on amounts to be invoiced to client/customer. • Ensure that the Invoice is prepared or captured on Financial System. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
2.4.	Update and Authorise Client Invoice/ Statement	• Obtain Internal Approval for Client Invoices, in line with Approved Delegations and Approval Framework.	TBA	TBA

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NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
		• Update and Authorise Invoice and Client Account.		

5.2.2.3   Manage Other Recoveries Process
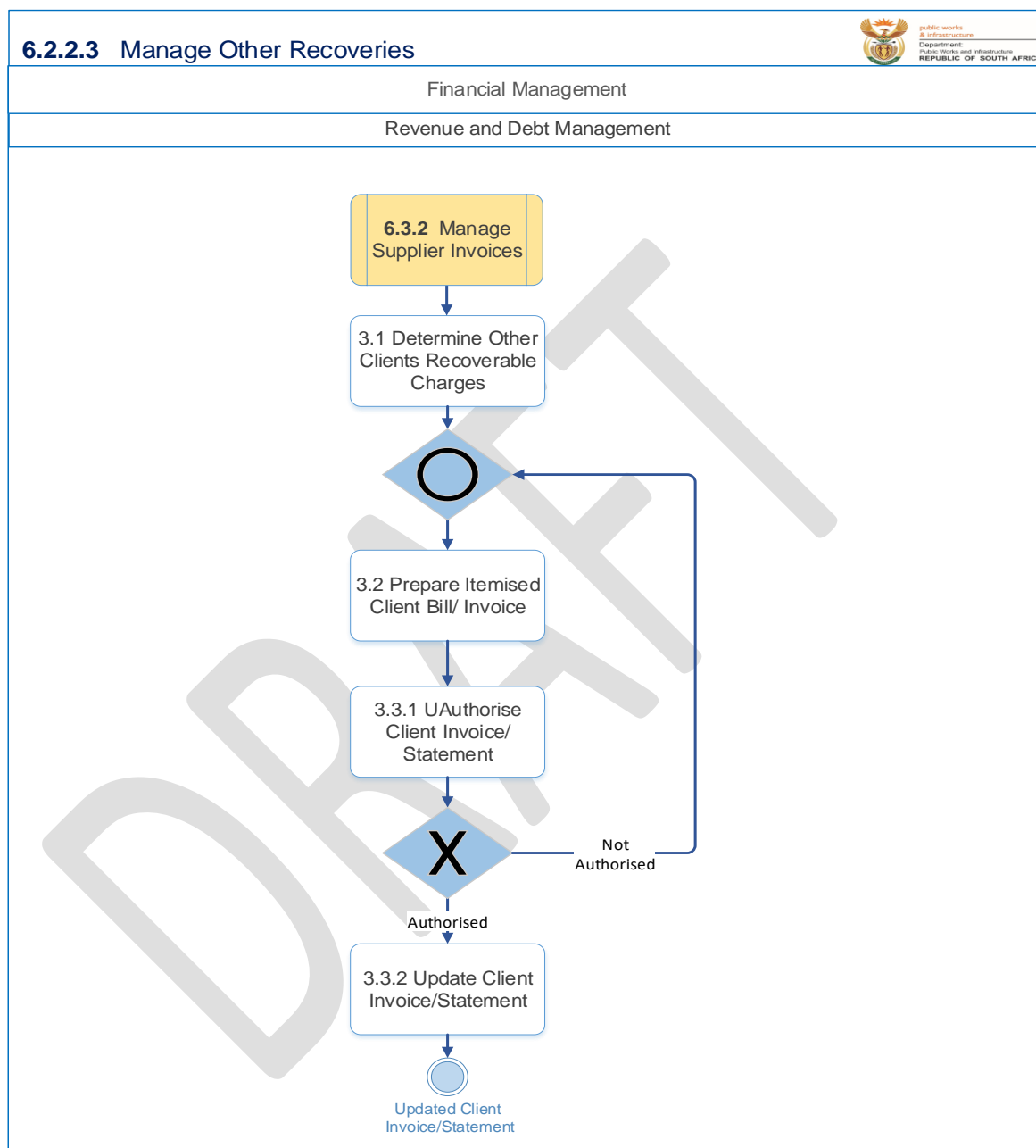**Diagram 3: Manage Other Recoveries Process Flow**

6.2.2.3   Manage Other Recoveries

Financial Management

Revenue and Debt Management

6.3.2 Manage Supplier Invoices

3.1 Determine Other Clients Recoverable Charges

3.2 Prepare Itemised Client Bill/ Invoice

3.3.1 UAuthorise Client Invoice/ Statement

X

Not Authorised

Authorised

3.3.2 Update Client Invoice/Statement

Updated Client Invoice/Statement

Table 3: Manage Other Recoveries Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
3.	**MANAGE OTHER RECOVERIES**			
3.1.	Determine Other Client Recoverable Charges	• Identify Flagged Recoverable Expenses relating to Other Client Recoverable Expenses (Other Recoveries) in line with the **Manage Invoice Processing** process (Expenditure and Liability Management). • Assess completeness of Identified / Flagged Recoverable Expenses relating to Other Client Recoverable Expenses (Other Recoveries). • Determine Recoverable Expenses to be billed in the current bill run (period) in line with above.	TBA	TBA
3.2.	Prepare Itemised Client Bill/ Invoice	• Prepare Itemised Client Bill/ Invoice based on amounts to be invoiced to client/customer. • Ensure that the Invoice is prepared or captured on Financial System. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
3.3.	Authorise and Update Client Invoice/ Statement	• Obtain Internal Approval for Client Invoices, in line with Approved Delegations and Approval Framework. • Update and Authorise Invoice and Client Account.	TBA	TBA

5.2.2.4   Manage Prestige Invoicing Process
Diagram 4: Manage Prestige Invoicing Process Flow
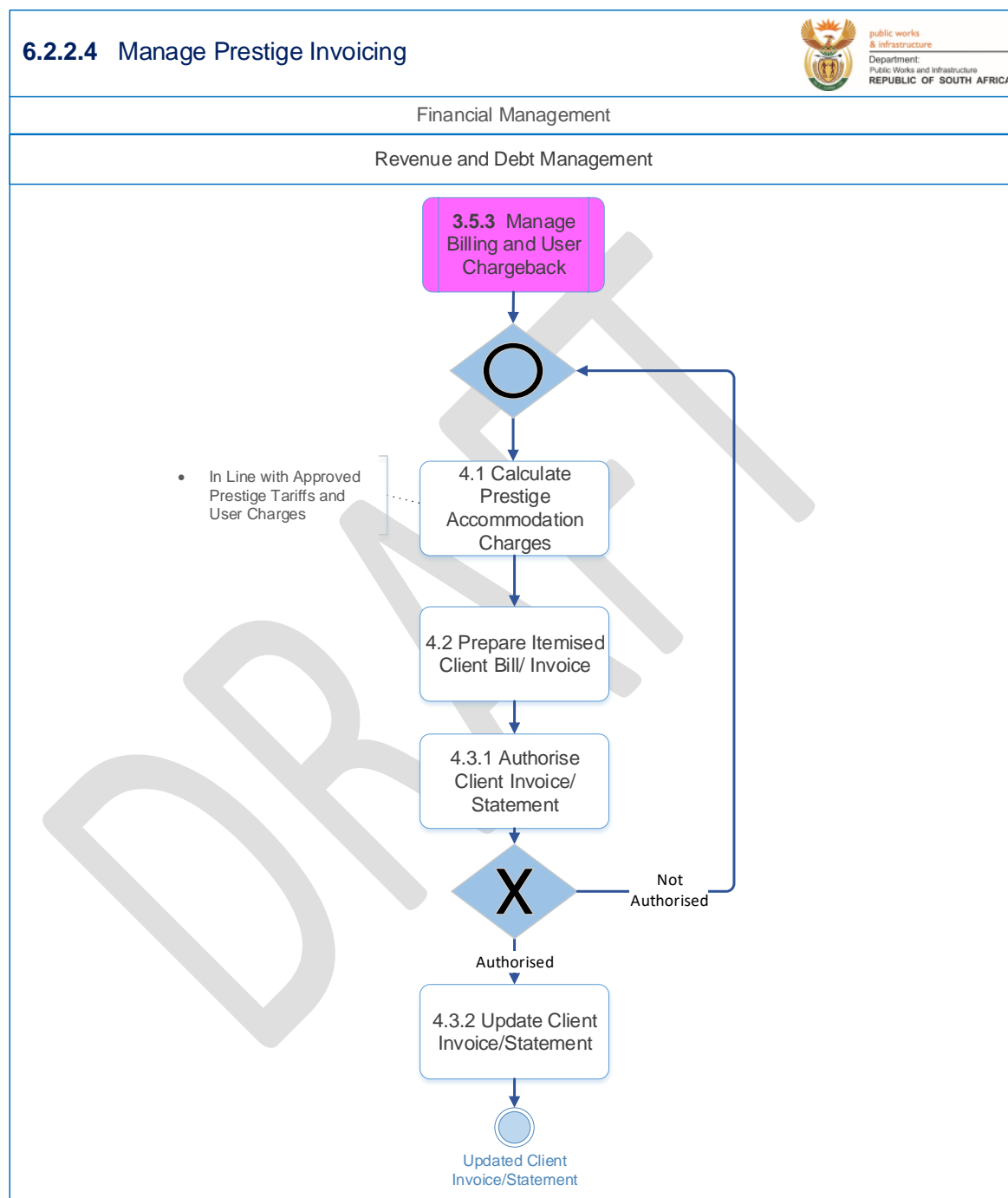
Table 4: Manage Prestige Invoicing Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
4.	**MANAGE PRESTIGE INVOICING**			
4.1.	Calculate Prestige Accommodation Charges	• Calculate Prestige Accommodation Charges in line with Approved Prestige Tariffs and User Charges. • Identify Flagged Recoverable Expenses relating to Prestige Users in line with the **Manage Invoice Processing** process (Expenditure and Liability Management). • Assess completeness of Identified / Flagged Recoverable Expenses relating to Prestige Users. • Determine Recoverable Expenses to be billed in the current bill run (period) in line with above.	TBA	TBA
4.2.	Prepare Itemised Client Bill/ Invoice	• Prepare Itemised Client Bill/ Invoice based on amounts to be invoiced to client/customer. • Ensure that the Invoice is prepared or captured on Financial System. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
4.3.	Update and Authorise Client Invoice/ Statement	• Obtain Internal Approval for Client Invoices, in line with Approved Delegations and Approval Framework. • Update and Authorise Invoice and Client Account.	TBA	TBA

5.2.2.5   Manage Augmentation Invoice Process
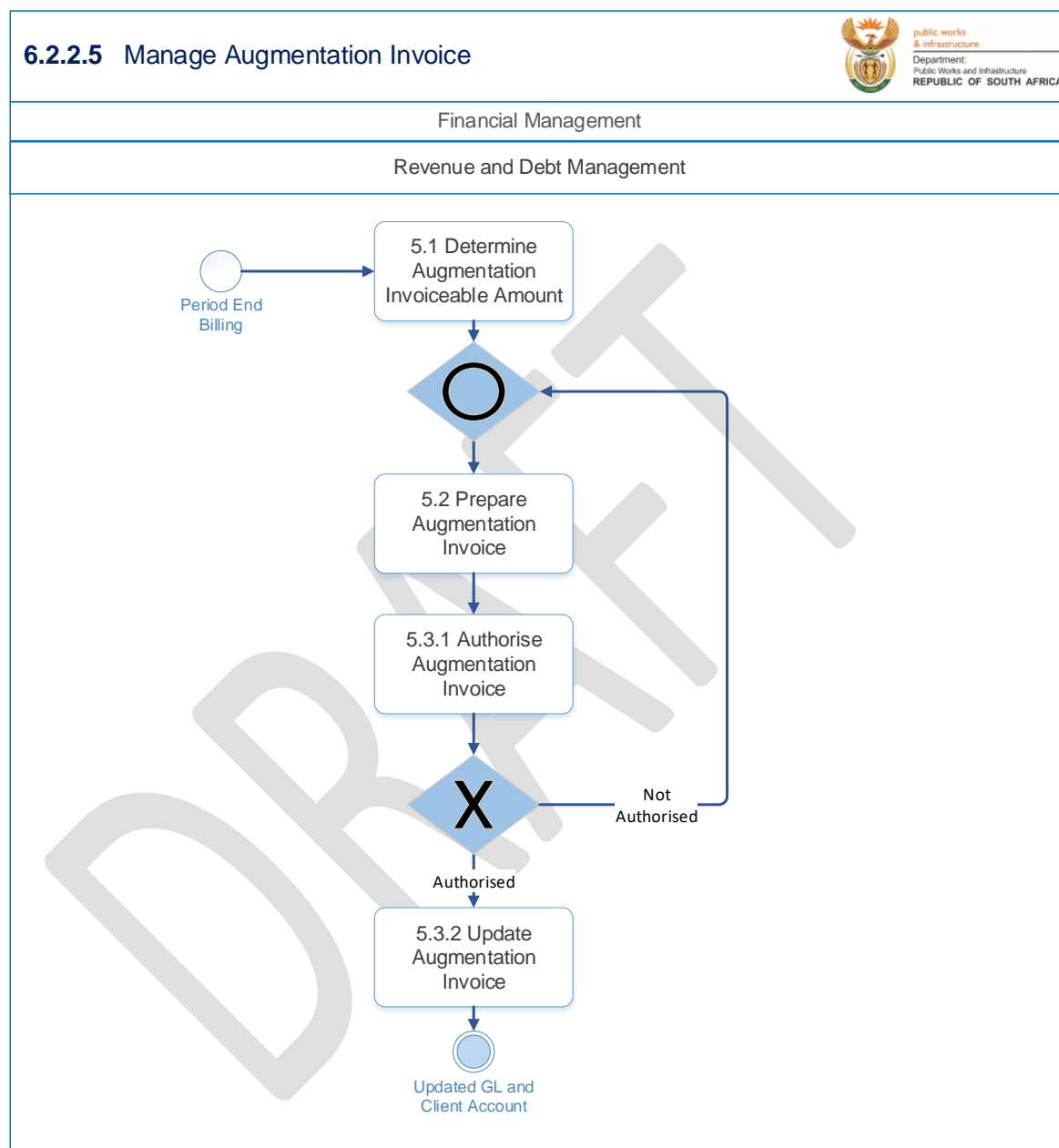**Diagram 5: Manage Augmentation Invoice Process Flow**

6.2.2.5   Manage Augmentation Invoice

Financial Management

Revenue and Debt Management

Period End Billing

5.1 Determine Augmentation Invoiceable Amount

5.2 Prepare Augmentation Invoice

5.3.1 Authorise Augmentation Invoice

X

Not Authorised

Authorised

5.3.2 Update Augmentation Invoice

Updated GL and Client Account

Table 5: Manage Augmentation Invoice Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
5.	**MANAGE AUGMENTATION INVOICE**			
5.1.	Determine Augmentation Invoiceable Amount	• Determine Augmentation Invoice Amount based on Approved Budget and approved Budget Cash Flow.	TBA	TBA
5.2.	Prepare Augmentation Invoice	• Prepare Augmentation Invoice based on amounts to be invoiced to Department. • Ensure that the Invoice is prepared or captured on Financial System. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
5.3.	Authorise and Update Augmentation Invoice	• Obtain Internal Approval for Department Invoice, in line with Approved Delegations and Approval Framework. • Update and Authorise Invoice and Department Account.	TBA	TBA

5.2.2.6 *Manage Sundry Invoice Process*
Diagram 6: Manage Sundry Invoice Process Flow

6.2.2.6 Manage Sundry Invoices

Financial Management

Revenue and Debt Management

6.3.2.4 Manage Invoice Processing

8.2.3 Manage Contracts

With Supporting Documents

6.1 Prepare Sundry Revenue Invoice

6.2.1 Authorise Sundry Debtor Account

Not Authorised

X

Authorised

6.2.2 Update Sundry Debtor Account

Sundry Invoice/ Statement
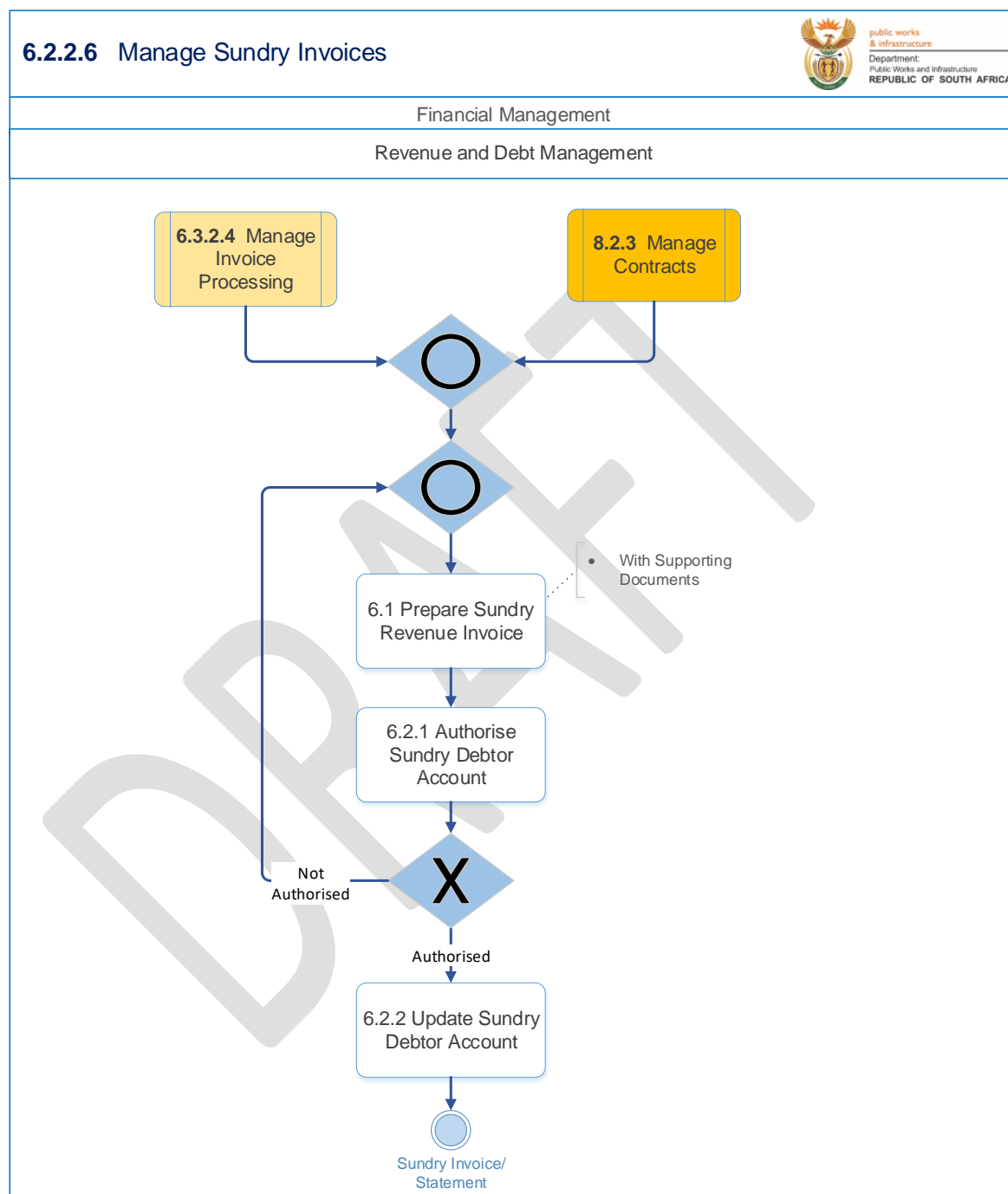
Table 6: Manage Sundry Invoices Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
6.	**MANAGE SUNDRY INVOICES**			
6.1.	Prepare Sundry Revenue Invoice	• Identify Flagged Recoverable Expenses relating to Sundry Debtors in line with the **Manage Invoice Processing** process (Expenditure and Liability Management). • Assess completeness of Identified / Flagged Recoverable Expenses relating to Sundry Debtors. • Prepare Sundry Invoice with supporting documentation. • Ensure that the Invoice is prepared or captured on Financial System. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
6.2.	Update and Authorise Sundry Debtor Account	• Obtain Internal Approval for Sundry Invoices, in line with Approved Delegations and Approval Framework. • Update and Authorise Sundry Invoice and Sundry Debtor Account.	TBA	TBA

5.2.2.7 Manage Interest Charges Process

Diagram 7: Manage Interest Charges Process Flow

6.2.2.7 Manage Interest Charges

Financial Management

Revenue and Debt Management

Overdue Debtors Billing

7.1 Obtain Interest Rate

- To be charged on overdue accounts in line with NT Regulations

- Using Approved Interest Rate in line with Credit Control Policy

7.2 Calculate Interest on Overdue Accounts

7.3.1 Authorise Client Invoice/ Statement

X — Not Authorised / Authorised

7.3.2 Update Client Invoice/Statement

Interest Charge on Client Invoice/Statement

Table 7: Manage Interest Charges Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
7.	**MANAGE INTEREST CHARGES**			
7.1.	Obtain Interest Rate to be Charged on Overdue Accounts	• Obtain Interest Rate to be Charged on Overdue Accounts in line with NT Regulations.	TBA	TBA
7.2.	Calculate Interest on Overdue Account	• Calculate Interest on Overdue Account using Approved Interest Rate and in line with Credit Control Policy. • Prepare Client / Sundry Debtor Interest Invoice based on above calculation. • Ensure that the Invoice is prepared or captured on Financial System. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
7.3.	Update and Authorise Client Invoice/ Statement	• Obtain Internal Approval for Client Interest Invoices, in line with Approved Delegations and Approval Framework. • Update and Authorise Invoice and Client / Sundry Debtor Account.	TBA	TBA

5.2.2.8   *Manage Invoice and Statement Distribution Process*
Diagram 8: Manage Invoice and Statement Distribution Process Flow
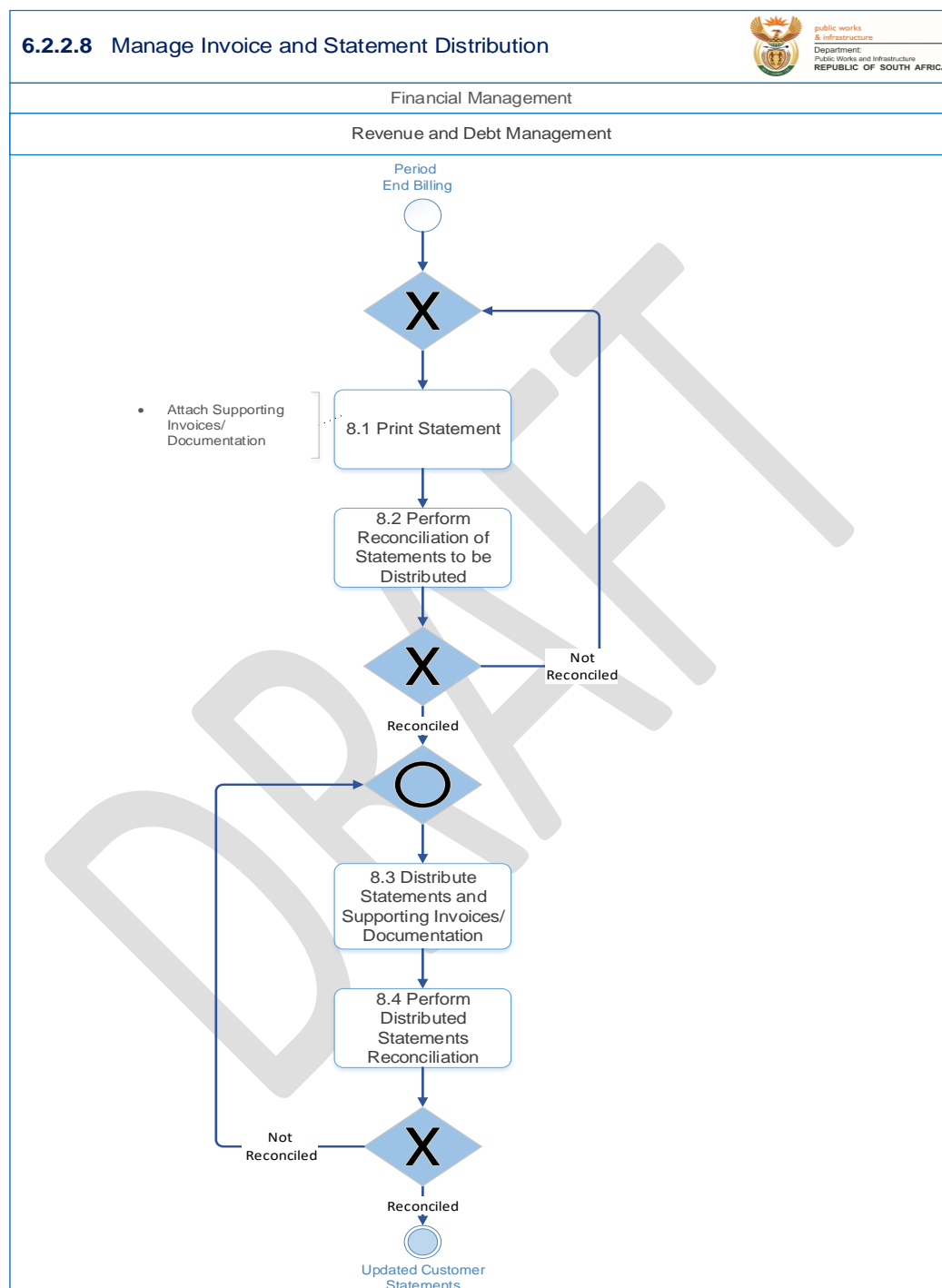
Table 8: Manage Invoice and Statement Distribution Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
8.	**MANAGE INVOICE AND STATEMENT DISTRIBUTION**			
8.1.	Print Statements	• Print Statements and Attach Supporting Invoices / Documentation.	TBA	TBA
8.2.	Perform Reconciliation of Statements to be Distributed	• Reconcile Statements to be distributed to Printed Statements. • Identify and follow up on any exceptions / reconciling items. • Implement corrective action for discrepancies noted.	TBA	TBA
8.3.	Distribute Statements and Supporting Invoices/ Documentation	• Distribute Statements and Supporting Invoices/ Documentation. ***Note:*** *This can be done manually or electronically using e-mail or any other approved client communication mediums.*	TBA	TBA
8.4.	Perform Reconciliation of Statements Distributed	• Perform Reconciliation of Printed Statements to Statements distributed. • Identify and follow up on any exceptions / reconciling items. • Implement corrective action for discrepancies noted.	TBA	TBA

5.2.3 MANAGE COLLECTIONS

PROCESS NAME	Manage Collections
PROCESS OBJECTIVE	To handle the collections of funds from various clients post distribution of invoices'
INITIATING PARTY / PROCESS	Revenue and Debt Management
INITIATING EVENT / TRIGGER	➢ Remittance Advice ➢ Unpaid and Reversals ➢ Allocations from Financial Planning
OUTPUT / RECORDS PRODUCED	➢ Updated Remittance Register ➢ Allocation Schedule ➢ Updated Suspense Account ➢ Adjusted Journals
GOVERNANCE	➢ Public Auditors Act (PAA) ➢ National Treasury Regulations /Instruction Notes and Circulars ➢ Public Finance Management Act, 1999 (Act No. 1 of 1999) [PFMA] ➢ GRAP Standards

Diagram 0: Manage Collections Processes

6.2.3 Manage Collections

Financial Management

Revenue and Debt Management

Bank Statement

6.2.3.1 Manage Receipt Allocation

Updated Client Account

Manage Receipt Allocations

6.2.3.2 Manage Remittances

Manage Receipt Allocations

Manage Receipt Allocations

6.2.3.3 Manage Unallocated Receipts

Manage Suspense accounts

Reconciliation, Client Query, Internal Review etc.

6.2.3.4 Manage Allocation Reversals (Misallocations)

Updated GL And Client Account

Bank Statement

6.2.3.5 Manage Sundry Receipts

Updated Sundry Debtor Account

5.2.3.1   Manage Receipt Allocation Process

Diagram 1: Manage Receipt Allocation Process Flow
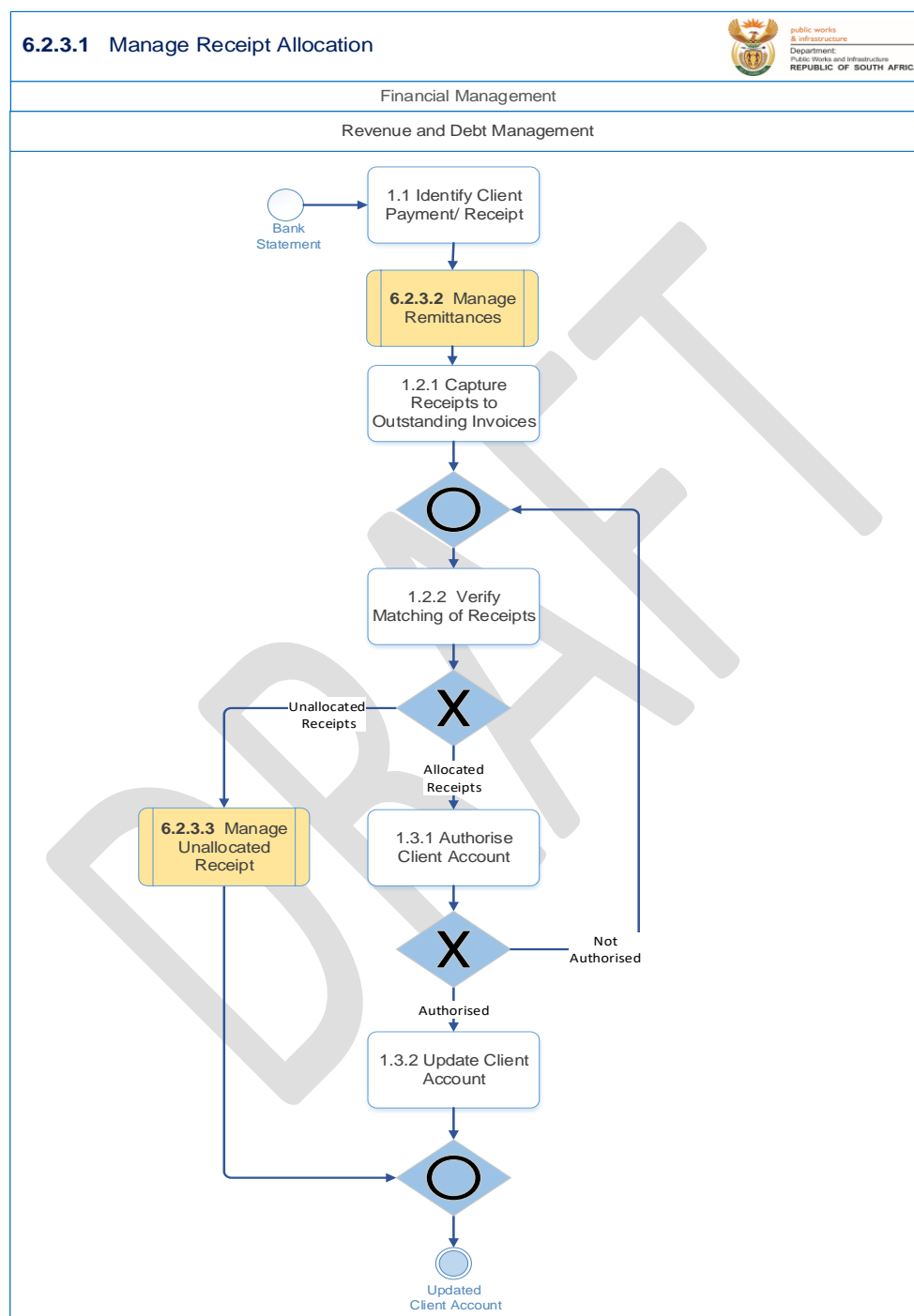
Table 1: Manage Receipt Allocation Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
1.	**MANAGE RECEIPT ALLOCATION**			
1.1.	Identify Client Payment/ Receipt	• Identify Client Payment/ Receipt from Bank Account Receipts.	TBA	TBA
6.2.3.2 MANAGE REMITTANCES		• Manage Remittance in line with **Manage Remittance** Processes.	TBA	TBA
1.2.	Capture and Verify Matching of Receipts to Outstanding Invoices	• Capture and Matching of Receipts to Outstanding Invoices in line with Remittance. • Verify all supporting documentation for the Receipt and ensure documents are in line with the Customer remittance advice.	TBA	TBA
6.2.3.3 MANAGE UNALLOCATED RECEIPTS (Where applicable)		• Allocate unallocated receipts in line with **Manage Unallocated Receipts** processes where necessary.	TBA	TBA
1.3.	Authorise and Update Client Account	• Obtain Internal Approval for Receipt Allocations, in line with Approved Delegations and Approval Framework. • Update and Authorise Client Account.	TBA	TBA

5.2.3.2   Manage Remittances Process
Diagram 2: Manage Remittances Process Flow
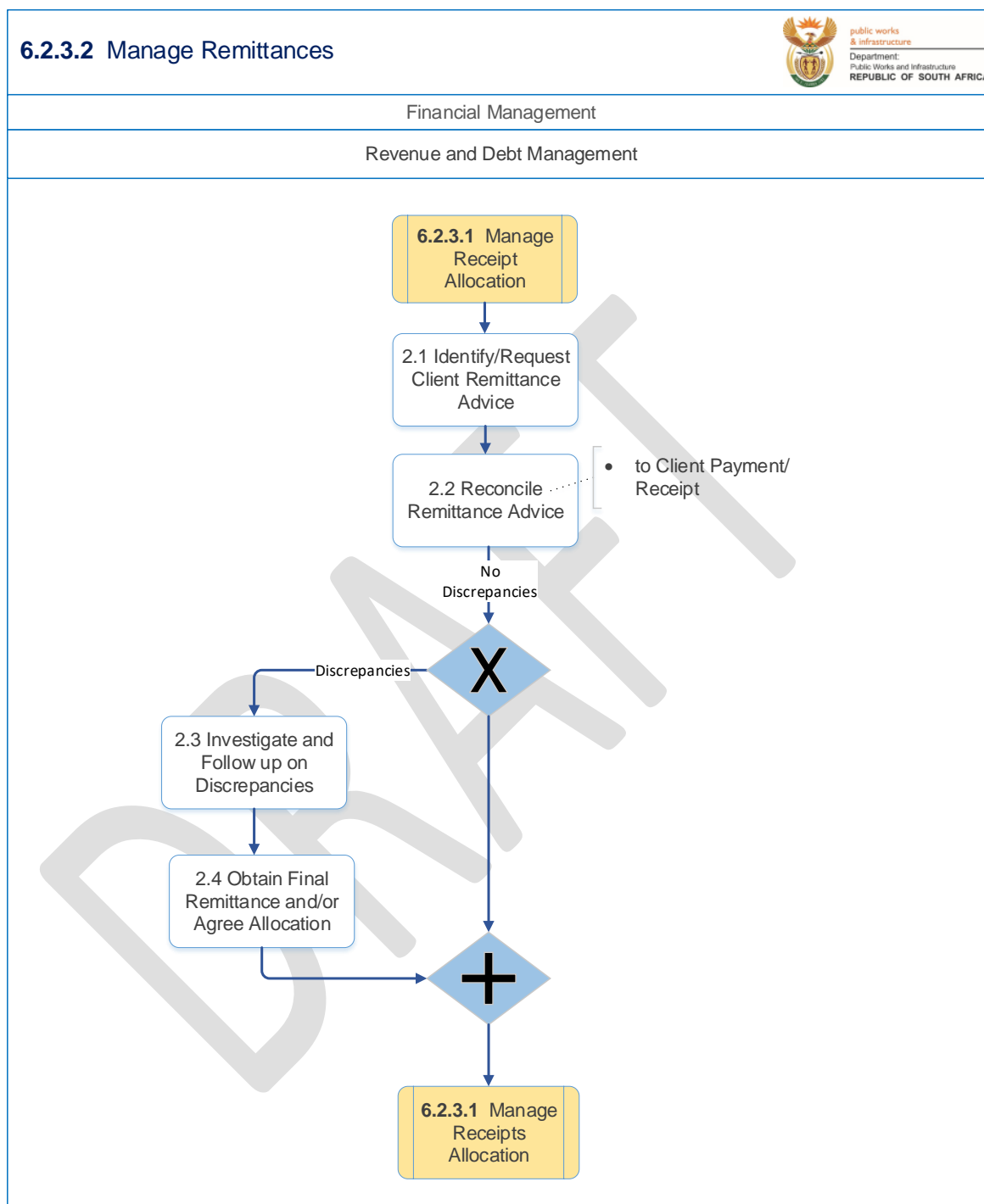
Table 2: Manage Remittances Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
2.	MANAGE REMITTANCES			
2.1.	Identify/ Request Client Remittance Advice	• Identify and/or Request Client Remittance Advice for each payment identified.	TBA	TBA
2.2.	Reconcile Remittance Advice to Client Payment/ Receipt	• Reconcile total per Remittance Advice to Customer Payment Receipt. • Identify and follow up on any discrepancies / reconciling items.	TBA	TBA
2.3.	Investigate and Follow up on Discrepancies (where applicable)	• Follow up and conduct a more detailed investigation of all discrepancies indicating reasons thereof. • Review and analyse the nature of the discrepancies to identify any trends (where applicable). • Implement corrective action for discrepancies noted.	TBA	TBA
2.4.	Obtain Final Updated Remittance and/ or Agreed Allocation	• Request updated Remittance Advice from client to correct current discrepancies and/or obtain written agreement on any alternative agreed receipt allocation. • Review Final Updated Remittance and/ or Agreed Allocation to ensure it reconciles to total received and there are no further discrepancies.	TBA	TBA

5.2.3.3   *Manage Unallocated Receipts Process*
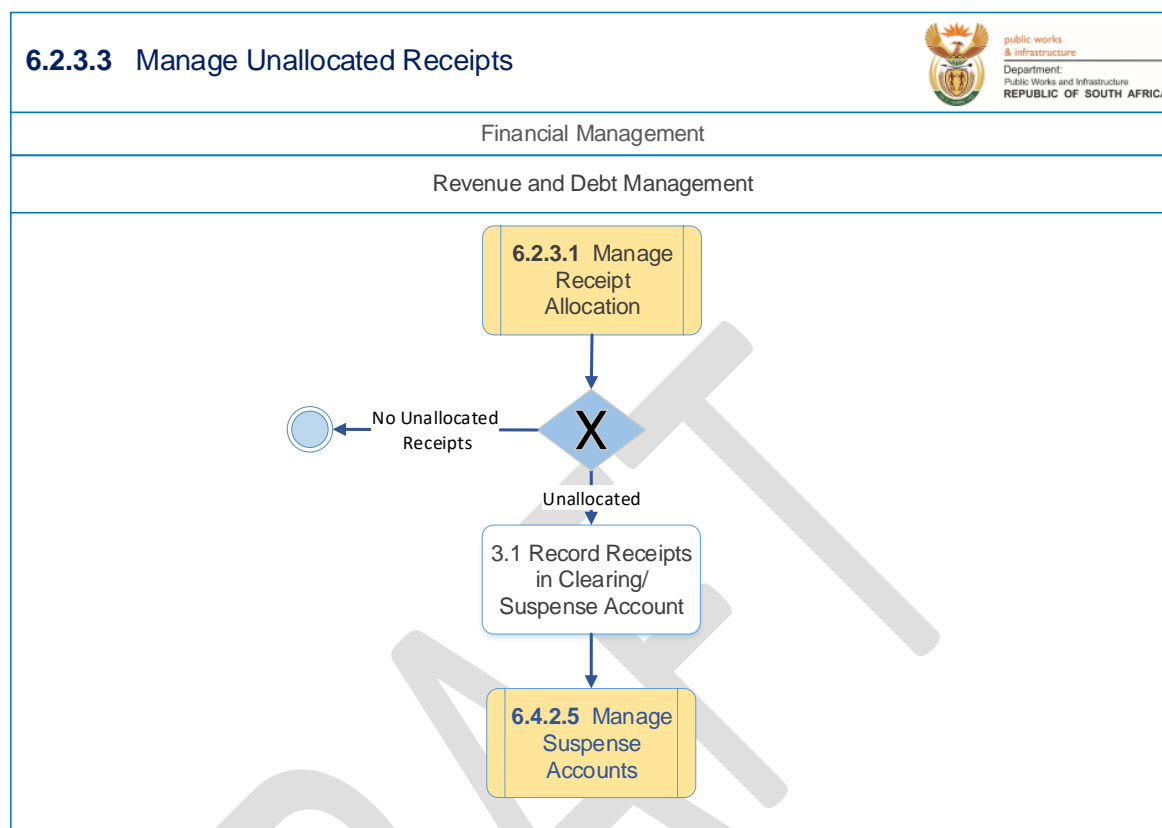
Diagram 3: Manage Unallocated Receipts Process Flow

Table 3: Manage Unallocated Receipts Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
3.	**MANAGE UNALLOCATED RECEIPTS**			
	6.2.3.1 MANAGE RECEIPT ALLOCATION	• Records and Match Receipts in Line with **Manage Receipt Allocation** Process**.**	TBA	TBA
3.1.	Record Receipts in Clearing/ Suspense Account	• Identify and Record Unallocated Receipts in Clearing/ Suspense Account. • Ensure timely follow up on any unallocated receipts (e.g. with bank or customer making payment, etc.)	TBA	TBA
	6.4.2.5 MANAGE SUSPENSE ACCOUNTS	• Review and Clear the Suspense Accounts in Line with the Financial Accounting and Reporting - **Manage Suspense Accounts** Process	TBA	TBA

5.2.3.4   *Manage Allocation Reversals (Misallocations) Process*
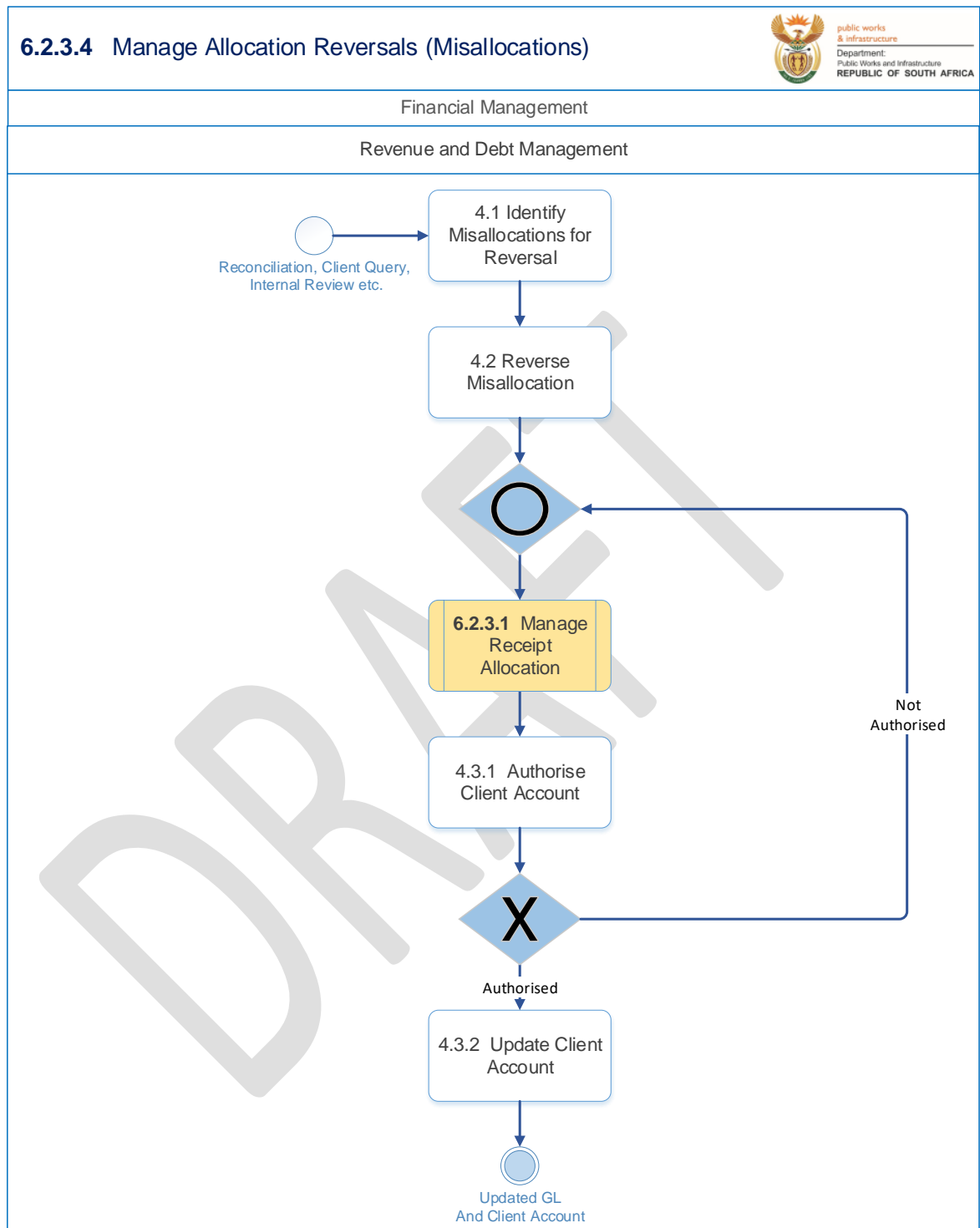**Diagram 4: Manage Allocation Reversals (Misallocations) Process Flow**

6.2.3.4   Manage Allocation Reversals (Misallocations)

Financial Management

Revenue and Debt Management

Reconciliation, Client Query, Internal Review etc.

4.1 Identify Misallocations for Reversal

4.2 Reverse Misallocation

6.2.3.1 Manage Receipt Allocation

4.3.1 Authorise Client Account

Not Authorised

X

Authorised

4.3.2 Update Client Account

Updated GL And Client Account

Table 4: Manage Allocation Reversals (Misallocations) Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
4.	**MANAGE ALLOCATION REVERSALS (MISALLOCATIONS)**			
4.1.	Identify Misallocations for Reversal	• Identify Misallocations for Reversal. • Request Reversal of Misallocation and attach supporting documents.	TBA	TBA
4.2.	Reverse Misallocation	• Reverse Misallocation using appropriate tools on Financial System. • Obtain Internal Approval for Receipt Reversal, in line with Approved Delegations and Approval Framework. • Update and Authorise Client Account.	TBA	TBA
6.2.3.1 MANAGE RECEIPT ALLOCATION		• Re-Perform Receipt Allocation in line with **Manage Receipt Allocation** process**.**	TBA	TBA
4.3.	Authorise and Update Client Account	• Obtain Internal Approval for Updated Receipt Allocations, in line with Approved Delegations and Approval Framework. • Update and Authorise Client Account.	TBA	TBA

5.2.3.5   Manage Sundry Receipts Process
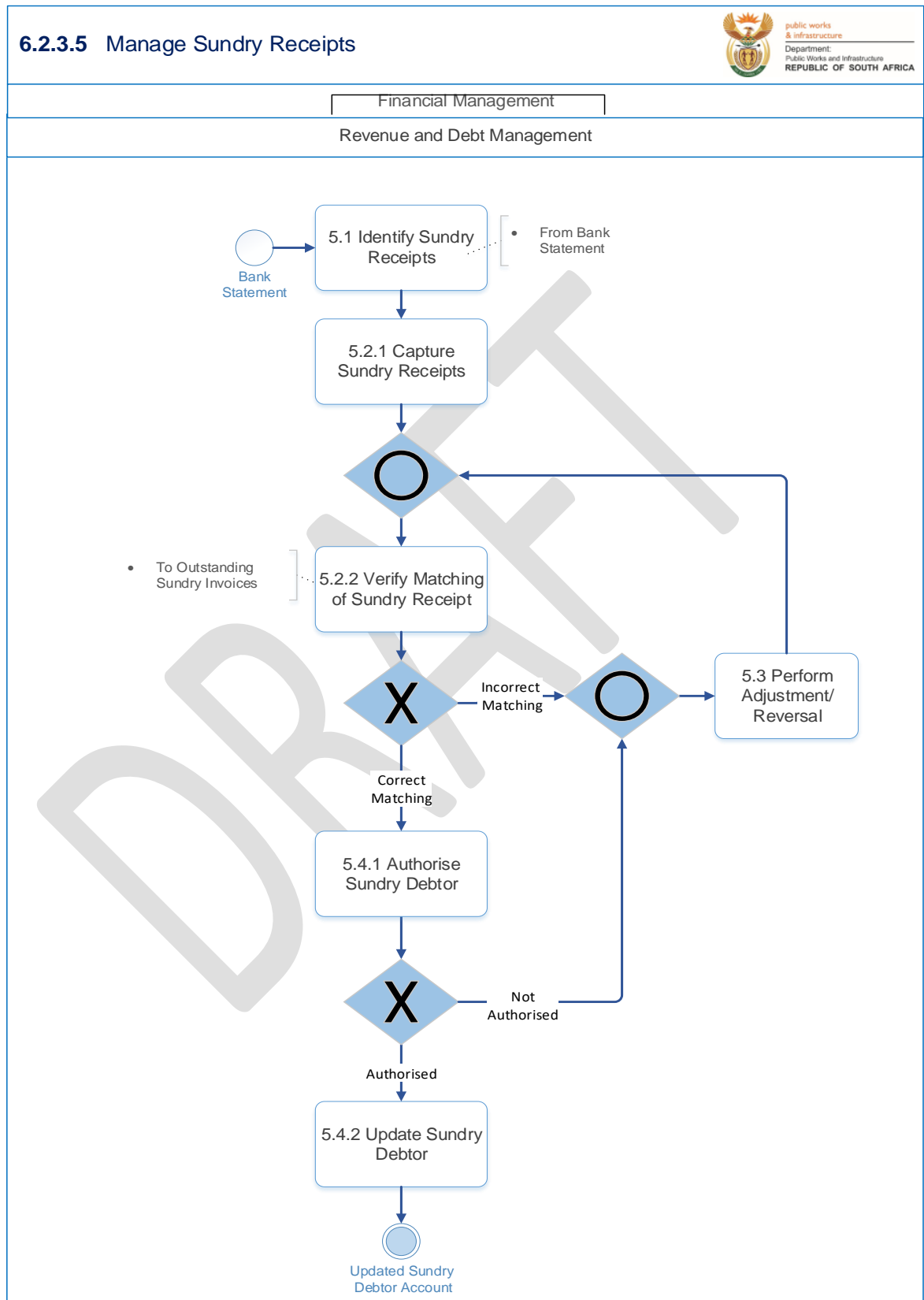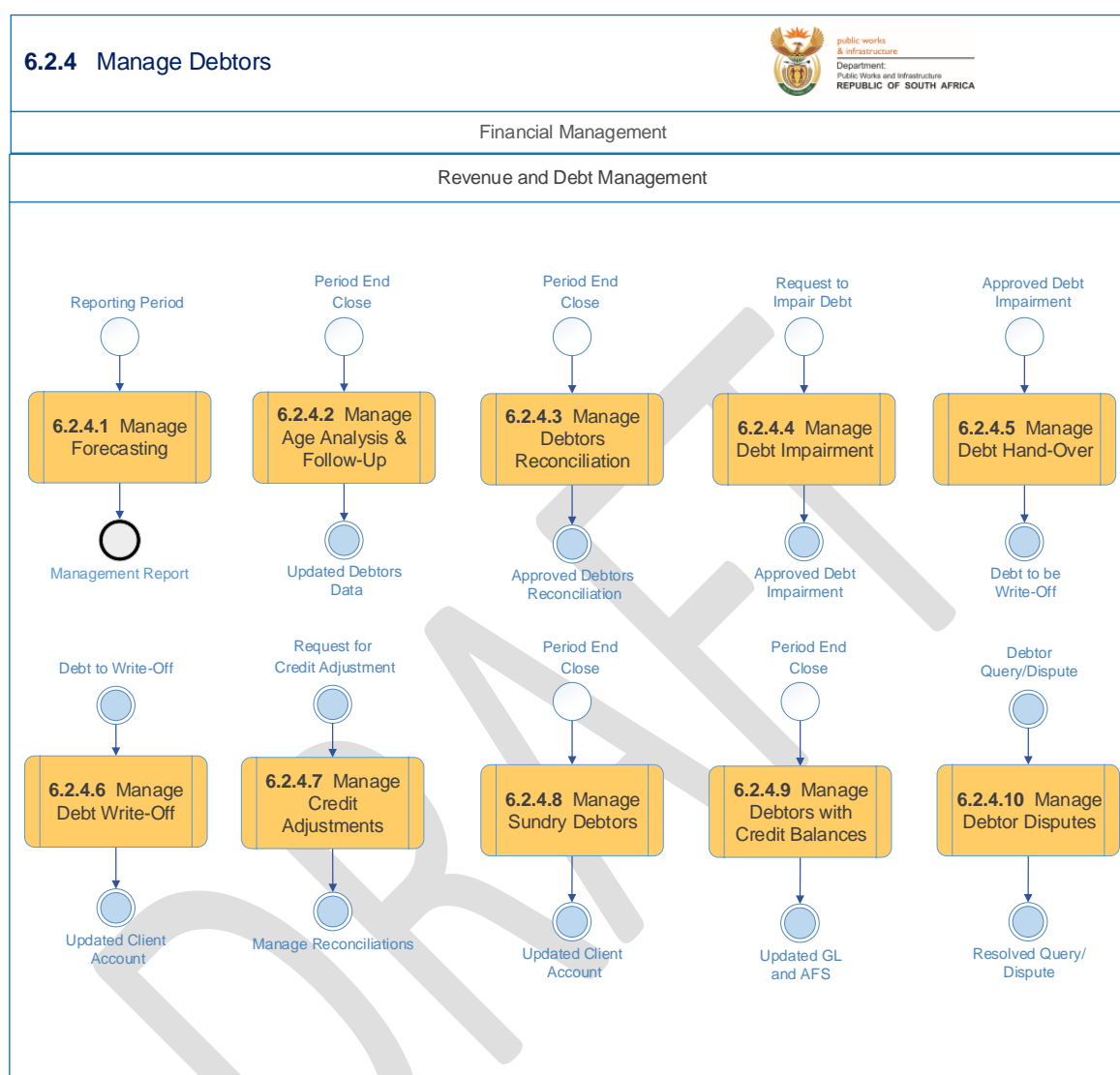**Diagram 5: Manage Sundry Receipts Process Flow**

Table 5: Manage Sundry Receipts Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
5.	**MANAGE SUNDRY RECEIPTS**			
5.1.	Identify Sundry Receipt	• Identify Sundry Debtor Receipt from Bank Statement.	TBA	TBA
5.2.	Capture and Verify Matching of Sundry Receipts to Outstanding Sundry Invoices	• Capture and Matching of Receipts to Outstanding Sundry Invoices in line with Remittance. • Verify all supporting documentation for the Receipt and ensure documents are in line with the Customer remittance advice.	TBA	TBA
5.3.	Perform Adjustment/ Reversal	• Perform Adjustment/ Reversal (Where applicable) in line with Manage Allocation Reversals (Misallocations) Process.	TBA	TBA
5.4.	Authorise and Update Sundry Debtor Account	• Obtain Internal Approval for Sundry Debtor Allocations, in line with Approved Delegations and Approval Framework. • Update and Authorise Sundry Debtor Account.	TBA	TBA

5.2.4 MANAGE DEBTORS

PROCESS NAME	Manage Debtors
PROCESS OBJECTIVE	To support the effective recovery of debt from DPW, HR, SCM, Legal Services and / or other relevant Units
INITIATING PARTY / PROCESS	NDPW, HR, SCM, Legal Services and / or other units within the Department, and inter-departmental
INITIATING EVENT / TRIGGER	Receipt of debtors' notification from (DPW, HR, SCM, Legal Services and / or other units within the Department)
OUTPUT / RECORDS PRODUCED	➢ Updated Debt Register; ➢ Processed Journals
GOVERNANCE	➢ Public Auditors Act (PAA) ➢ National Treasury Regulations /Instruction Notes and Circulars ➢ Public Finance Management Act, 1999 (Act No. 1 of 1999) [PFMA] ➢ GRAP Standards

Diagram 0: Manage Commitments and Liabilities Processes

6.2.4 Manage Debtors

Financial Management

Revenue and Debt Management

Reporting Period → **6.2.4.1** Manage Forecasting → Management Report

Period End Close → **6.2.4.2** Manage Age Analysis & Follow-Up → Updated Debtors Data

Period End Close → **6.2.4.3** Manage Debtors Reconciliation → Approved Debtors Reconciliation

Request to Impair Debt → **6.2.4.4** Manage Debt Impairment → Approved Debt Impairment

Approved Debt Impairment → **6.2.4.5** Manage Debt Hand-Over → Debt to be Write-Off

Debt to Write-Off → **6.2.4.6** Manage Debt Write-Off → Updated Client Account

Request for Credit Adjustment → **6.2.4.7** Manage Credit Adjustments → Manage Reconciliations

Period End Close → **6.2.4.8** Manage Sundry Debtors → Updated Client Account

Period End Close → **6.2.4.9** Manage Debtors with Credit Balances → Updated GL and AFS

Debtor Query/Dispute → **6.2.4.10** Manage Debtor Disputes → Resolved Query/ Dispute

5.2.4.1   Manage Forecasting Process
Diagram 1: Manage Forecasting Process Flow
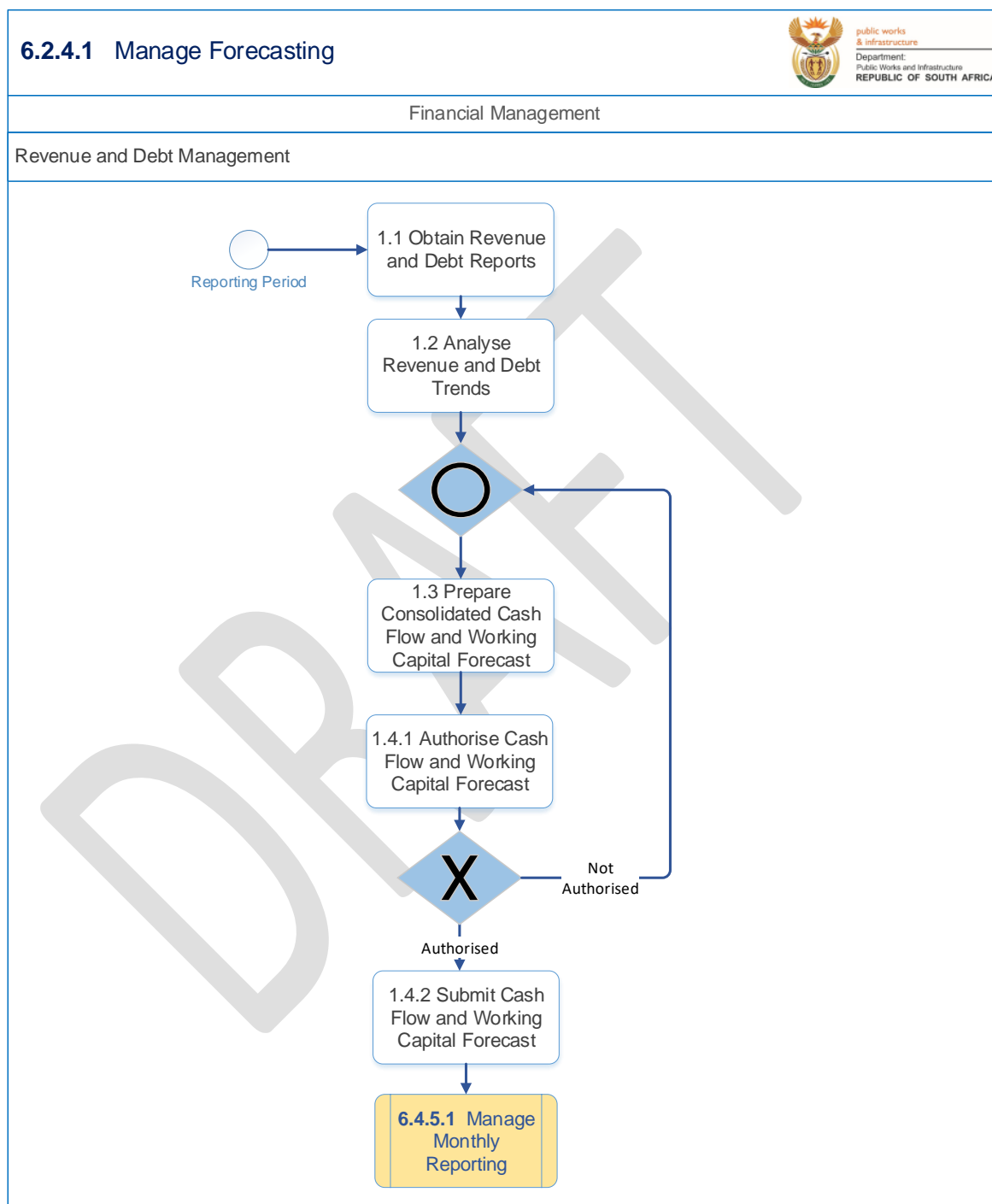
Table 1: Manage Forecasting Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
1.	**MANAGE FORECASTING**			
1.1.	Obtain Revenue and Debt Reports	• Obtain the relevant Revenue and Debt Reports.	TBA	TBA
1.2.	Analyse Revenue and Debt Patterns	• Analyse the Revenue and Debt Patterns trends with reference to the Budget, Historic Collections/Receipts and Cash flow requirements.	TBA	TBA
1.3.	Prepare Cash-flow and Working Capital Forecast	• Request additional information and/or Adjustments from Originator. • Prepare Consolidated Cash Flow and Working Capital forecast using the inputs from all units and Regions.	TBA	TBA
1.4.	Authorise and Submit	• Obtain Internal Approval in line with the Approved Delegations and Approvals Framework. • Submit Approved Forecast in line with compliance requirements.	TBA	TBA

5.2.4.2 *Manage Age Analysis & Follow up Process*
Diagram 2: Manage Age Analysis & Follow up Process Flow
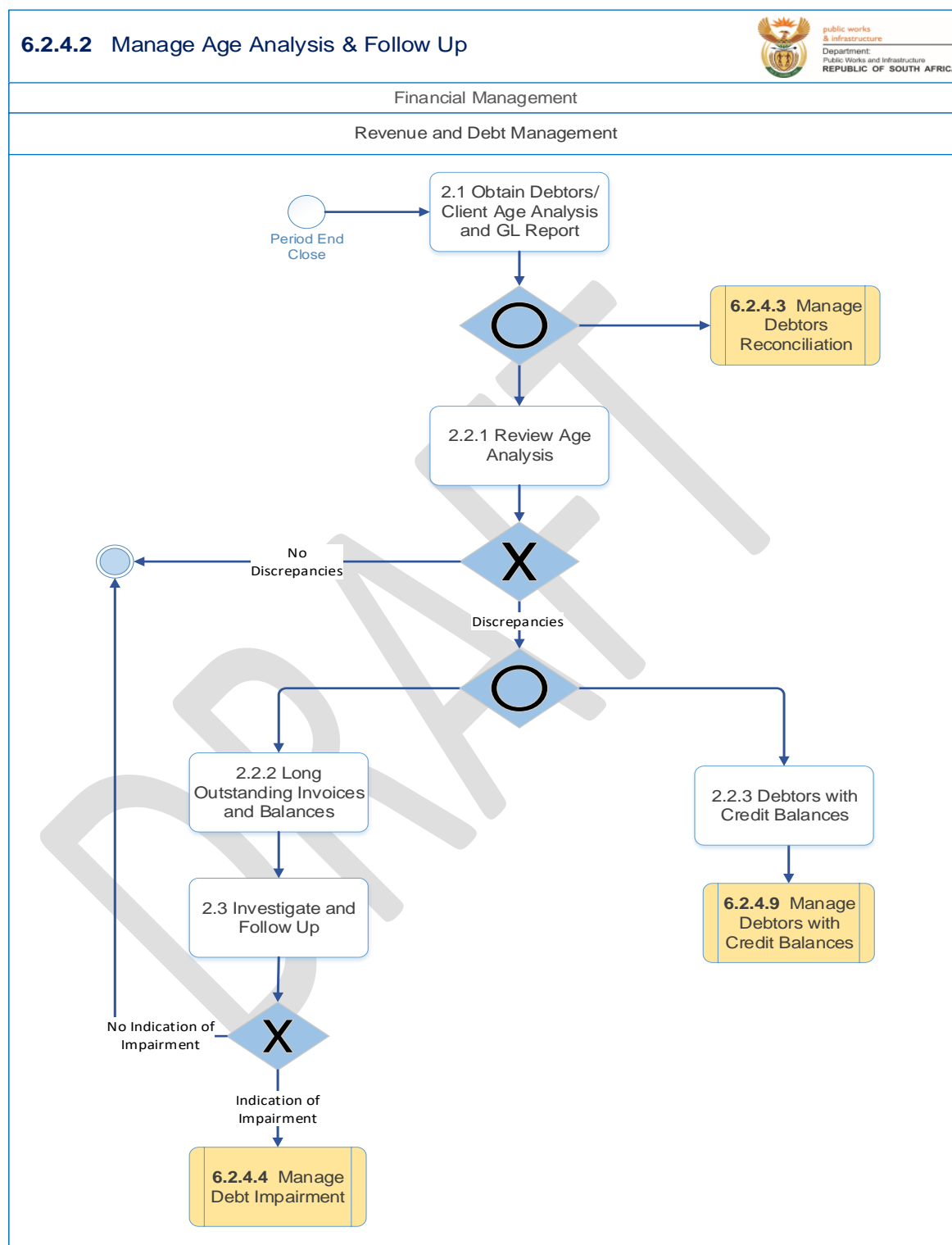
Table 2: Manage Age Analysis and Follow-Up Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
2.	**MANAGE AGE ANALYSIS AND FOLLOW UP**			
2.1.	Obtain Debtors/Client Age Analysis and General Ledger (GL) Reports	• Obtain printout of Debtor's Age Analysis, Debtors Sub-Ledger and General Ledger (GL) control account Reports.	TBA	TBA
2.2.	Review Age Analysis for Long Outstanding Invoices and Balances	• Review Age Analysis for Long Outstanding Invoices and Debtors with Credit Balances.	TBA	TBA
6.2.4.9 MANAGE DEBTORS WITH CREDIT BALANCES		• Manage Debtors with Credit Balances in line with **Manage Debtors with Credit Balances** Process**.**	TBA	TBA
2.3.	Investigate and Follow-up on Discrepancies	• Follow up and conduct a more detailed investigation of all Discrepancies indicating reasons thereof. • Review and analyse the nature of the discrepancies to identify any trends (where applicable). • Implement corrective action for discrepancies identified.	TBA	TBA
6.2.4.4 MANAGE DEBT IMPAIRMENT		• Assess and Manage Impairment of Debt in line with **Manage Debt Impairment** Process**.**	TBA	TBA

5.2.4.3 Manage Debtors Reconciliations Process
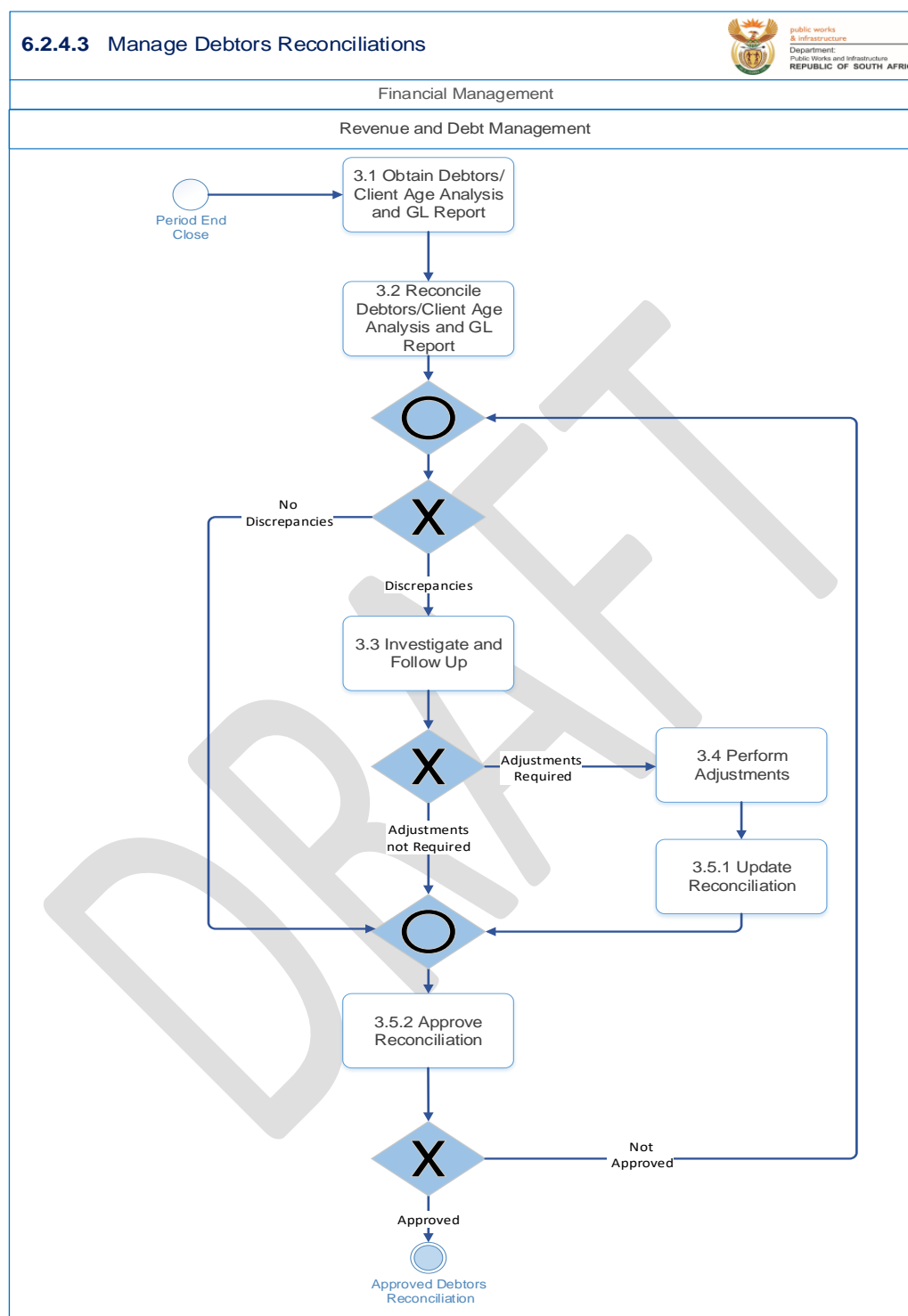**Diagram 3: Manage Debtors Reconciliations Process Flow**

Table 3: Manage Debtors Reconciliations Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
3.	**MANAGE DEBTORS RECONCILIATIONS**			
3.1.	Obtain Debtors/Client Age Analysis and General Ledger (GL) Reports	• Obtain printout of Debtor's Age Analysis, Debtors Sub-Ledger and General Ledger (GL) control account Reports.	TBA	TBA
3.2.	Reconcile Debtors/Client Age Analysis to General Ledger Reports	• Perform reconciliation between the Debtors Age Analysis, Debtors Sub-Ledger and General Ledger control accounts. • Identify and follow up on any reconciling items.	TBA	TBA
3.3.	Investigate and Follow up on Discrepancies	• Follow up and conduct a more detailed investigation of all Discrepancies indicating reasons thereof. • Review and analyse the nature of the discrepancies to identify any trends (where applicable). • Implement corrective action for discrepancies identified.	TBA	TBA
3.4.	Perform Adjustments	• Perform Adjustment/Reversals (where Applicable).	TBA	TBA
3.5.	Update and Approve Reconciliation after Processing Adjustments	• Update Reconciliation after Processing Adjustments. • Approve Updated Reconciliation in line with the Approved Delegations and Approvals Framework.	TBA	TBA

5.2.4.4 *Manage Debtors Impairment Process*
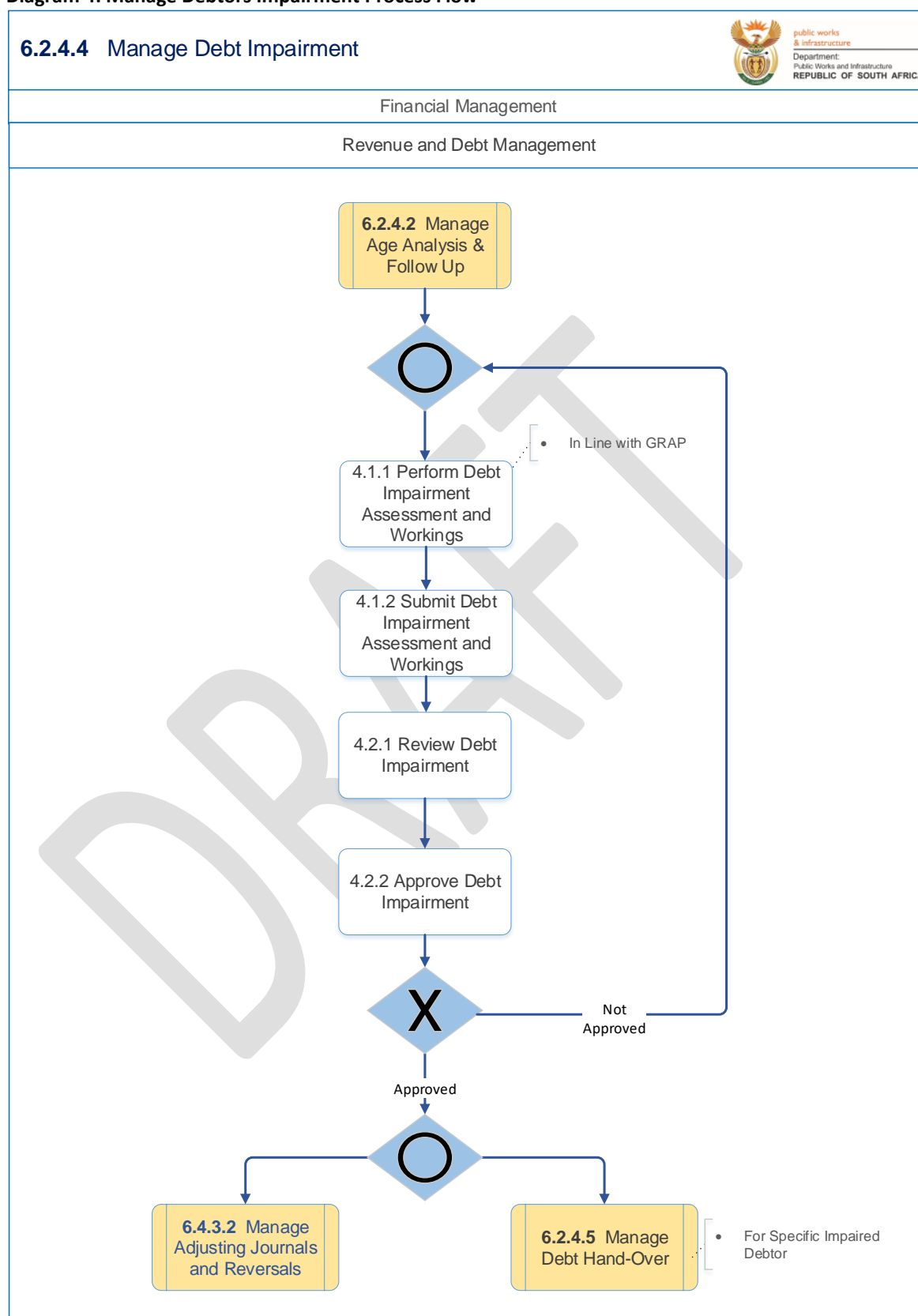**Diagram 4: Manage Debtors Impairment Process Flow**

6.2.4.4 Manage Debt Impairment

Financial Management

Revenue and Debt Management

6.2.4.2 Manage Age Analysis & Follow Up

4.1.1 Perform Debt Impairment Assessment and Workings

• In Line with GRAP

4.1.2 Submit Debt Impairment Assessment and Workings

4.2.1 Review Debt Impairment

4.2.2 Approve Debt Impairment

X — Not Approved

Approved

6.4.3.2 Manage Adjusting Journals and Reversals

6.2.4.5 Manage Debt Hand-Over

• For Specific Impaired Debtor

Table 4: Manage Debt Impairment Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
4.	**MANAGE DEBT IMPAIRMENT**			
4.1.	Perform and Submit Debt Impairment Assessment and Workings	• Perform Debt Impairment Assessment and Workings in line with GRAP Standards. • Submit Debt Impairment Assessment and Workings together with supporting documents to responsible person.	TBA	TBA
4.2.	Review and Approve Debt Impairment Assessment Workings and Calculations	• Review Debt Impairment Assessment workings and calculations and ensure that calculations are reasonable and are in line with GRAP Standards. • Approve Debt Impairment Assessment Workings and Calculations in line with the Approved Delegations and Approvals Framework.	TBA	TBA

5.2.4.5   Manage Debt Hand-Over Process
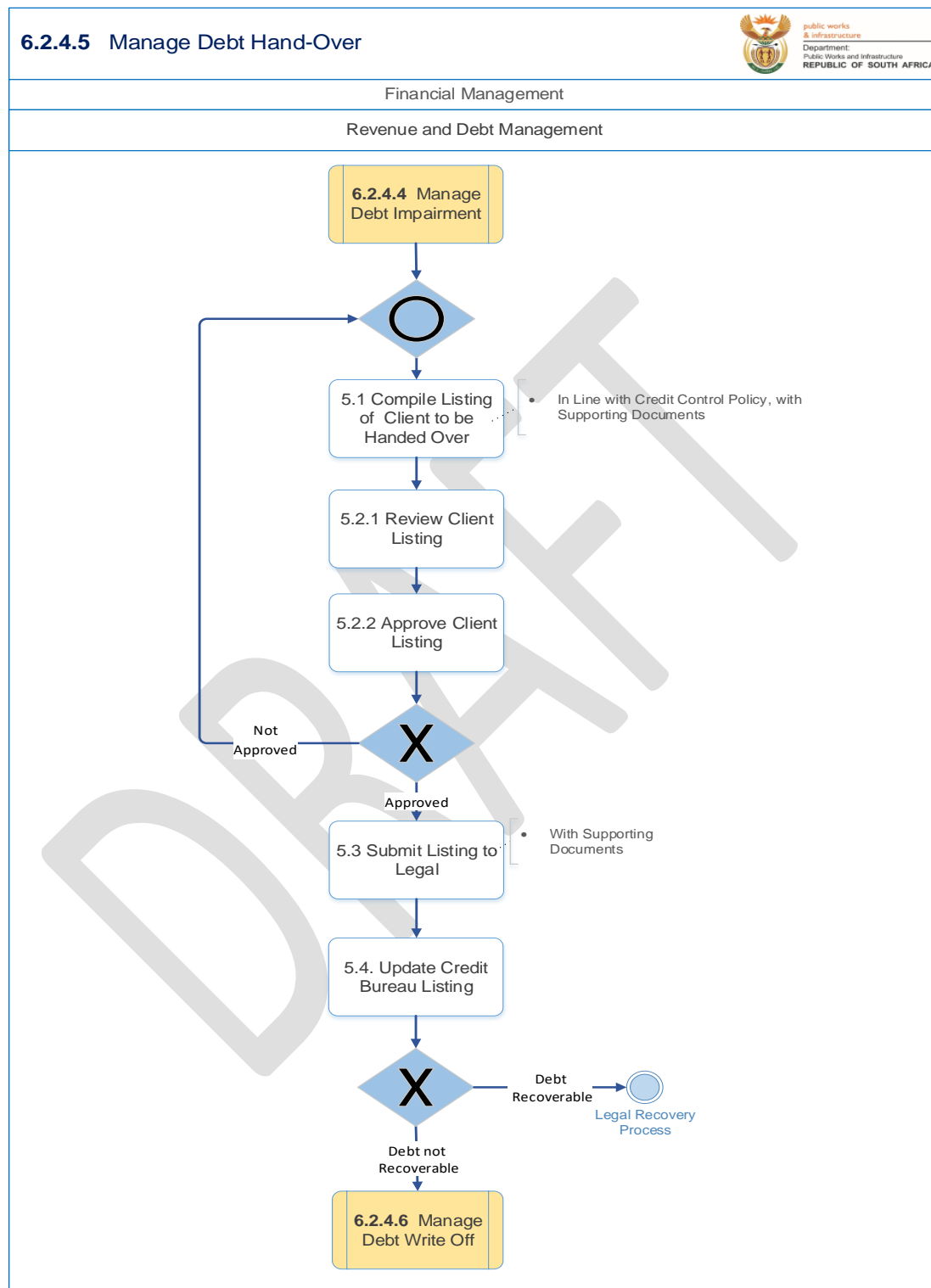**Diagram 5: Manage Debt Hand-Over Process Flow**

Table 5: Manage Debt Hand-Over Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
5.	**MANAGE DEBT HAND-OVER**			
5.1.	Compile Listing of Clients to be Handed Over	• Compile Listing of Clients to be Handed Over in line with Credit Control Policy, with Supporting Documents.	TBA	TBA
5.2.	Review and Approve Client Handover Listing	• Review adequacy and completeness of Client Handover Listing. • Approve Client Handover Listing in line with the Approved Delegations and Approvals Framework.	TBA	TBA
5.3.	Submit Listing with Supporting Documents to Legal Services	• Submit Listing with Supporting Documents to Legal Services.	TBA	TBA
5.4.	Update Credit Bureau Listing	• Update Credit Bureau Listing with Client/Customer outstanding credit, payment records and credit behaviour.	TBA	TBA

5.2.4.6   *Manage Debt Write Off Process*
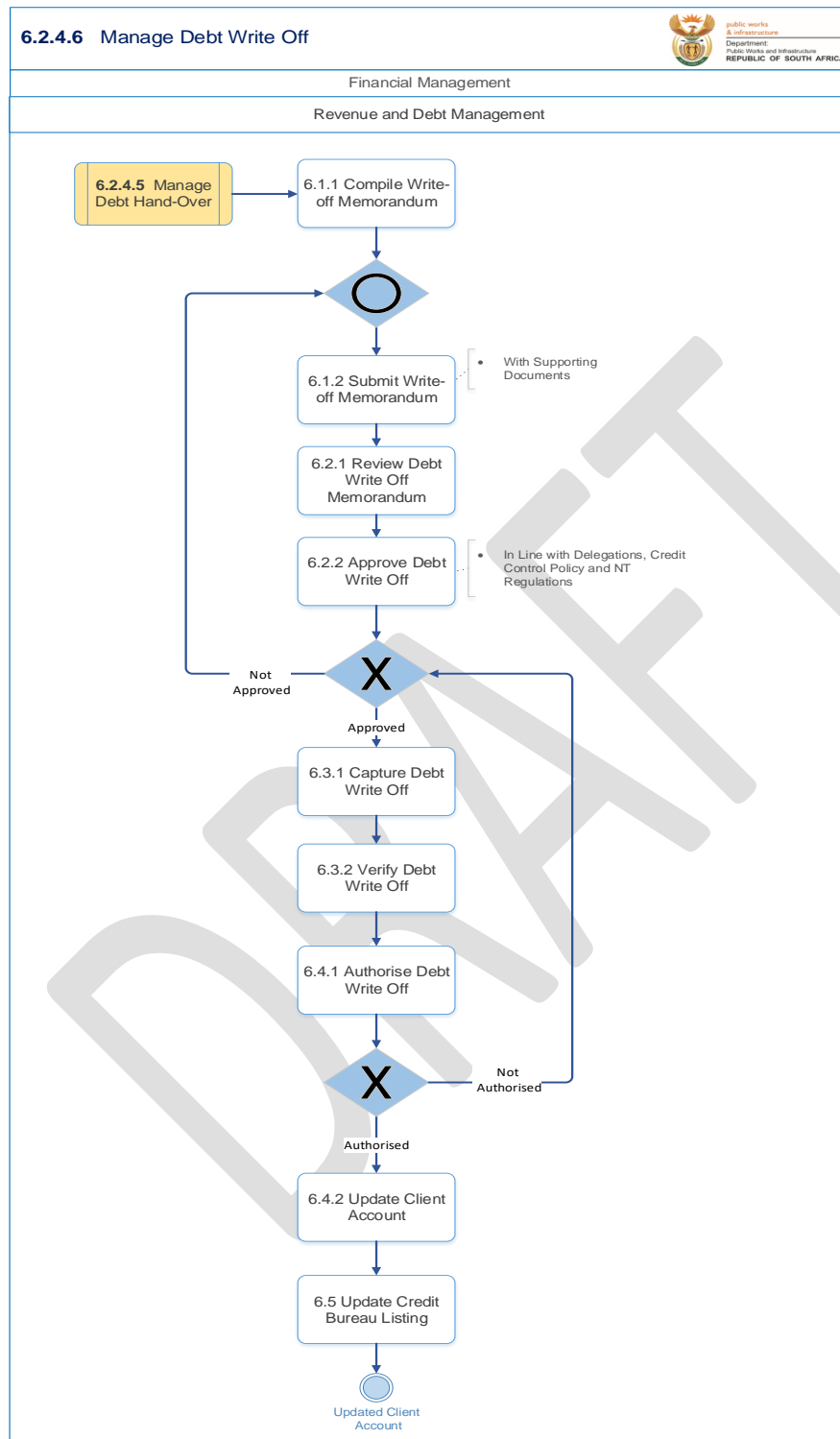**Diagram 6: Manage Debt Write Off Process Flow**

Table 6: Manage Debt Write Off Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
6.	**MANAGE DEBT WRITE OFF**			
6.1.	Compile and Submit Write-off Memorandum	• Compile and Submit Write-off Memorandum with Supporting Documents.	TBA	TBA
6.2.	Review and Approve Debt Write-off	• Review and Approve Debt Write-off in line with Delegations, Credit Control Policy and NT Regulations.	TBA	TBA
6.3.	Capture and Verify Debt Write-off	• Receive Approved Debt Write-off with supporting documents. • Capture Debt Write-Off on the system. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
6.4.	Authorise and Update Client Account	• Obtain Internal Approval for Captured Debt Write Off, in line with Approved Delegations and Approval Framework. • Update and Authorise Debtor Account.	TBA	TBA
6.5.	Update Credit Bureau Listing	• Update Credit Bureau Listing with Client/Customer outstanding credit, payment records and credit behaviour.	TBA	TBA

5.2.4.7   Manage Credit Adjustments Process
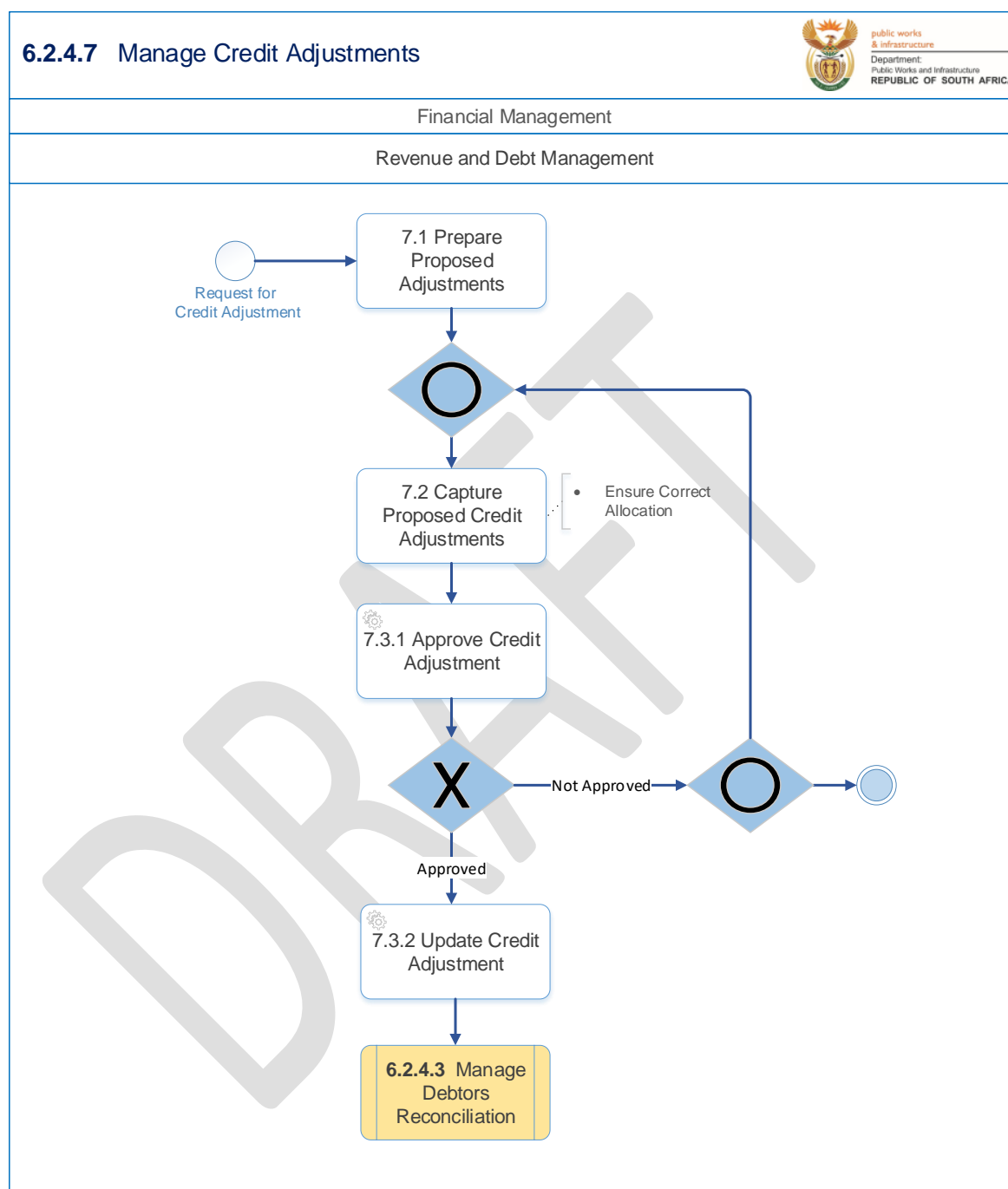**Diagram 7: Manage Credit Adjustments Process Flow**

6.2.4.7 Manage Credit Adjustments

Financial Management

Revenue and Debt Management

Request for Credit Adjustment

7.1 Prepare Proposed Adjustments

7.2 Capture Proposed Credit Adjustments

- Ensure Correct Allocation

7.3.1 Approve Credit Adjustment

X

Not Approved

Approved

7.3.2 Update Credit Adjustment

6.2.4.3 Manage Debtors Reconciliation

Table 7: Manage Credit Adjustments Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
7.	**MANAGE CREDIT ADJUSTMENTS**			
7.1.	Prepare Proposed Adjustment	• Prepare Proposed Adjustment Based on Need Identified, together with supporting documentation.	TBA	TBA
7.2.	Capture Proposed Adjustment	• Receive Proposed Adjustment with supporting documents. • Capture Proposed Adjustment on the system. • Verify correctness of captured details by reference to supporting documents.	TBA	TBA
7.3.	Approve and Update Adjustment on System	• Obtain Internal Approval for Captured Debt Write Off, in line with Approved Delegations and Approval Framework. • Update and Authorise Debtor Account.	TBA	TBA
6.2.4.3 MANAGE DEBTORS RECONCILIATIONS		Manage Sundry Debtors reconciliation in line with the **Manage Debtors Reconciliation** Process.	N/A	N/A

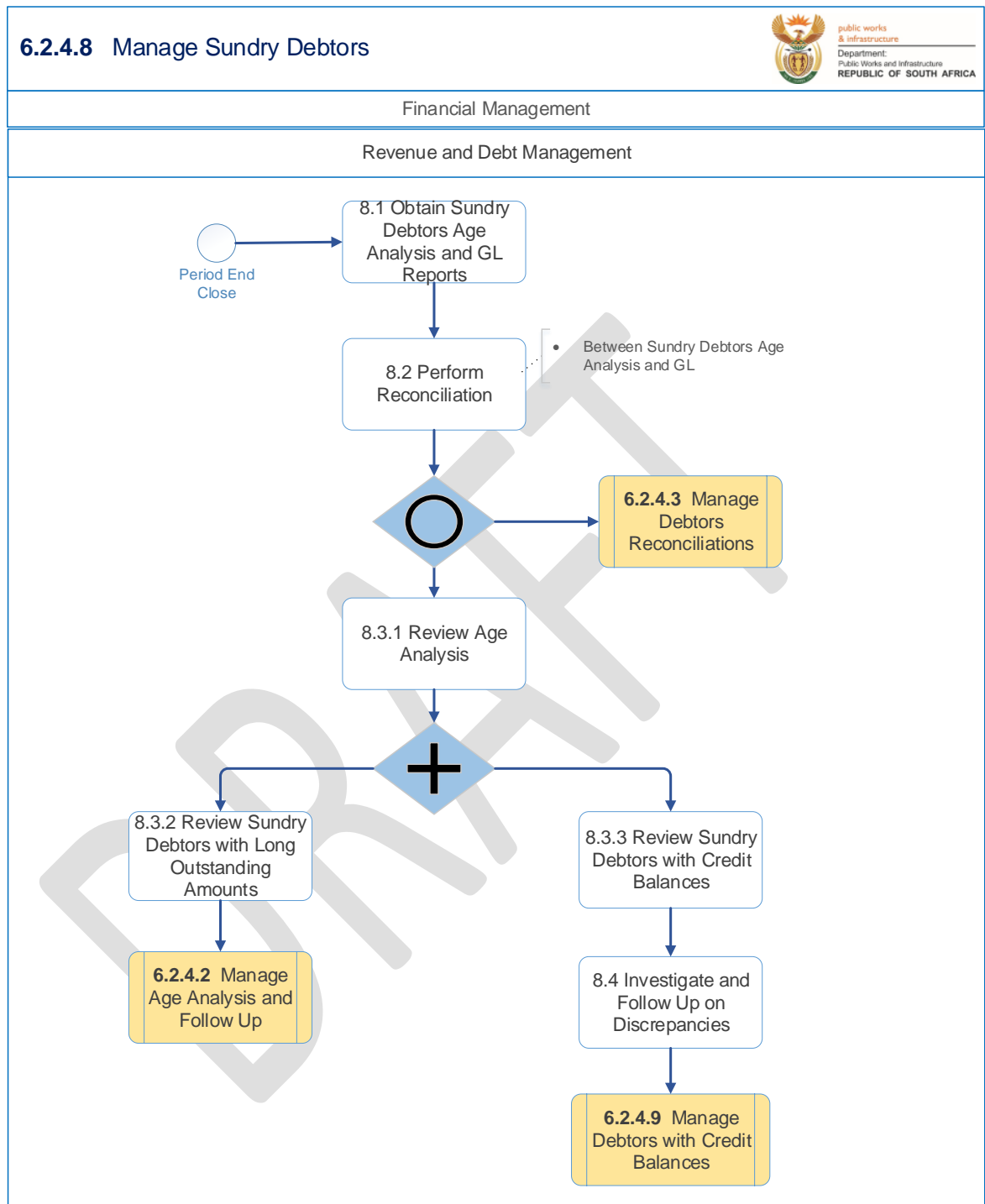## *5.2.4.8 Manage Sundry Debtors Process*
Diagram 8: Manage Sundry Debtors Process Flow

6.2.4.8 Manage Sundry Debtors

Financial Management

Revenue and Debt Management

8.1 Obtain Sundry Debtors Age Analysis and GL Reports

Period End Close

8.2 Perform Reconciliation

- Between Sundry Debtors Age Analysis and GL

6.2.4.3 Manage Debtors Reconciliations

8.3.1 Review Age Analysis

8.3.2 Review Sundry Debtors with Long Outstanding Amounts

8.3.3 Review Sundry Debtors with Credit Balances

6.2.4.2 Manage Age Analysis and Follow Up

8.4 Investigate and Follow Up on Discrepancies

6.2.4.9 Manage Debtors with Credit Balances

Table 8: Manage Sundry Debtors Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
8.	**MANAGE SUNDRY DEBTORS**			
8.1.	Obtain Sundry Debtors Age Analysis and GL Reports	• Obtain printout of Sundry Debtors Age Analysis and GL Reports.	TBA	TBA
8.2.	Perform Reconciliation Between Sundry Debtors Age Analysis and GL	• Perform Reconciliation Between Sundry Debtors Age Analysis and General Ledger Control Accounts. • Identify and follow up on any reconciling items.	TBA	TBA
6.2.4.3 MANAGE DEBTORS RECONCILIATIONS		Manage Sundry Debtors reconciliation in line with the **Manage Debtors Reconciliation** Process.	N/A	N/A
8.3.	Review Age Analysis and follow up on long outstanding items and Sundry Debtors with Credit Balances	• Review Age Analysis for Long Outstanding Invoices and Sundry Debtors with Credit Balances.	TBA	TBA
6.2.4.2 MANAGE AGE ANALYSIS AND FOLLOW-UP (WHERE APPLICABLE)		Manage Sundry Debtors for Long Outstanding Invoices in line **Manage Age Analysis and Follow-up** Process.	N/A	N/A
6.2.4.9 MANAGE DEBTORS WITH CREDIT BALANCES (WHERE APPLICABLE)		Manage Sundry Debtors with Credit Balances in line with **Manage Debtors with Credit Balances** Process.	N/A	N/A
8.4.	Investigate and Follow-up on Discrepancies	• Follow up and conduct a more detailed investigation of all Discrepancies indicating reasons thereof. • Review and analyse the nature of the discrepancies to identify any trends (where applicable).	TBA	TBA

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
		• Implement corrective action for discrepancies identified.		

5.2.4.9 *Manage Debtors with Credit Balances Process*
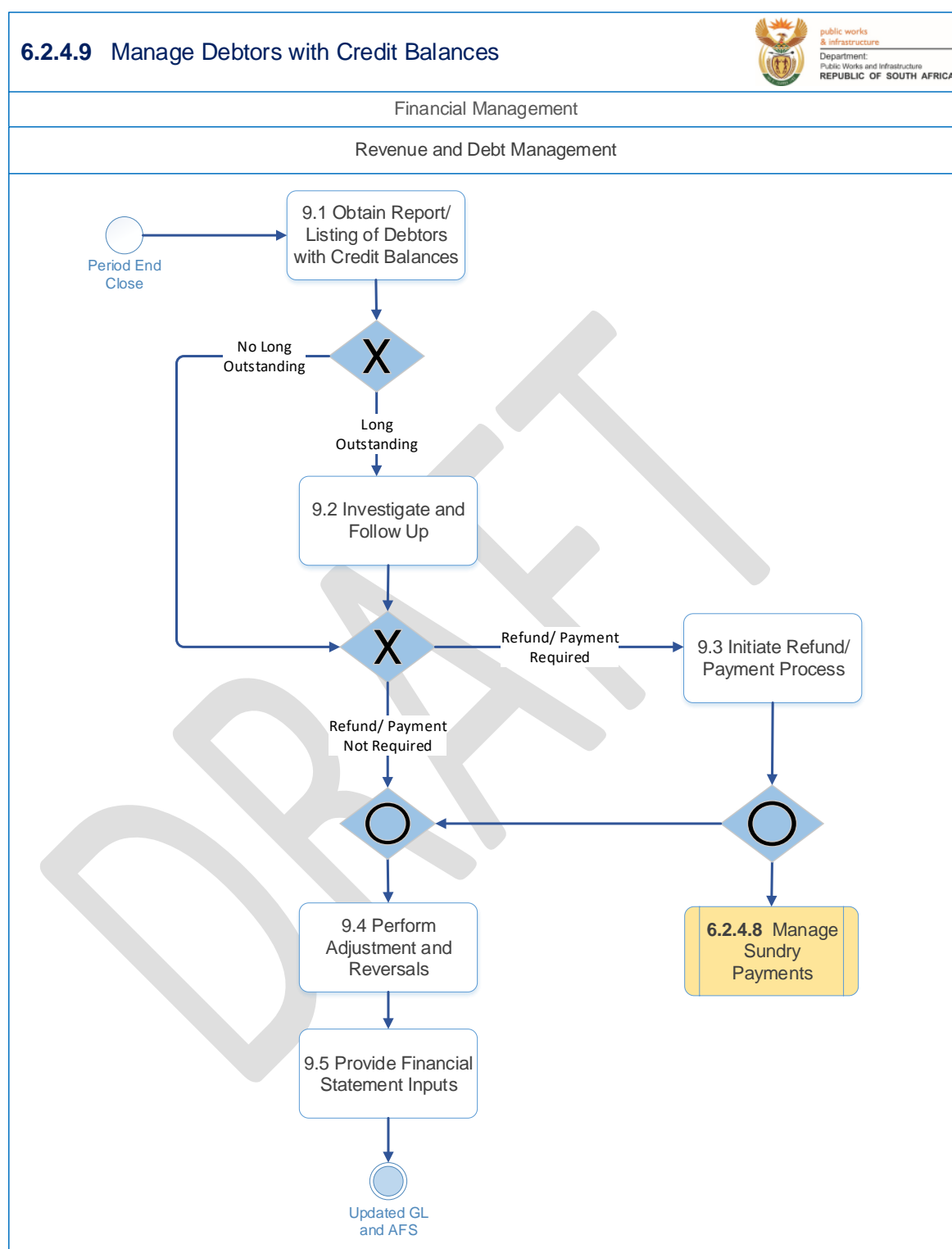**Diagram 9: Manage Debtors with Credit Balances Process Flow**

6.2.4.9 Manage Debtors with Credit Balances

Financial Management

Revenue and Debt Management

Period End Close

9.1 Obtain Report/ Listing of Debtors with Credit Balances

X

No Long Outstanding

Long Outstanding

9.2 Investigate and Follow Up

X

Refund/ Payment Required

9.3 Initiate Refund/ Payment Process

Refund/ Payment Not Required

6.2.4.8 Manage Sundry Payments

9.4 Perform Adjustment and Reversals

9.5 Provide Financial Statement Inputs

Updated GL and AFS

Table 9: Manage Debtors with Credit Balances Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
9.	**MANAGE DEBTORS WITH CREDIT BALANCES**			
9.1.	Obtain Report/ Listing of Debtors with Credit Balances	• Obtain listing of Debtors with Credit balances from Ageing Analysis	TBA	TBA
9.2.	Investigate and Follow-up on Long-Outstanding Credit Balances	• Investigate and Follow-up on Long-Outstanding Credit Balances.	TBA	TBA
9.3.	Initiate Refund/ Payment Process (where Applicable)	• Initiate Refund/ Payment Process (where Applicable) as per the **Expenditure and Liabilities Management** Process.	TBA	TBA
6.3.3.3 MANAGE SUNDRY PAYMENTS		Manage Sundry payments in line with Financial Expenditure and Liabilities Management - **Manage Sundry Payments** process.	N/A	N/A
9.4.	Provide Input into Financial Statements Compilation Process	• Provide Input into Financial Statements Compilation Process.	TBA	TBA
9.5.	Perform Adjustments & Reversals	• Where applicable, process Adjustment Journals as per the **Manage Adjusting Journals and Reversals** Process.	TBA	TBA

5.2.4.10 Manage Debtors Disputes Process
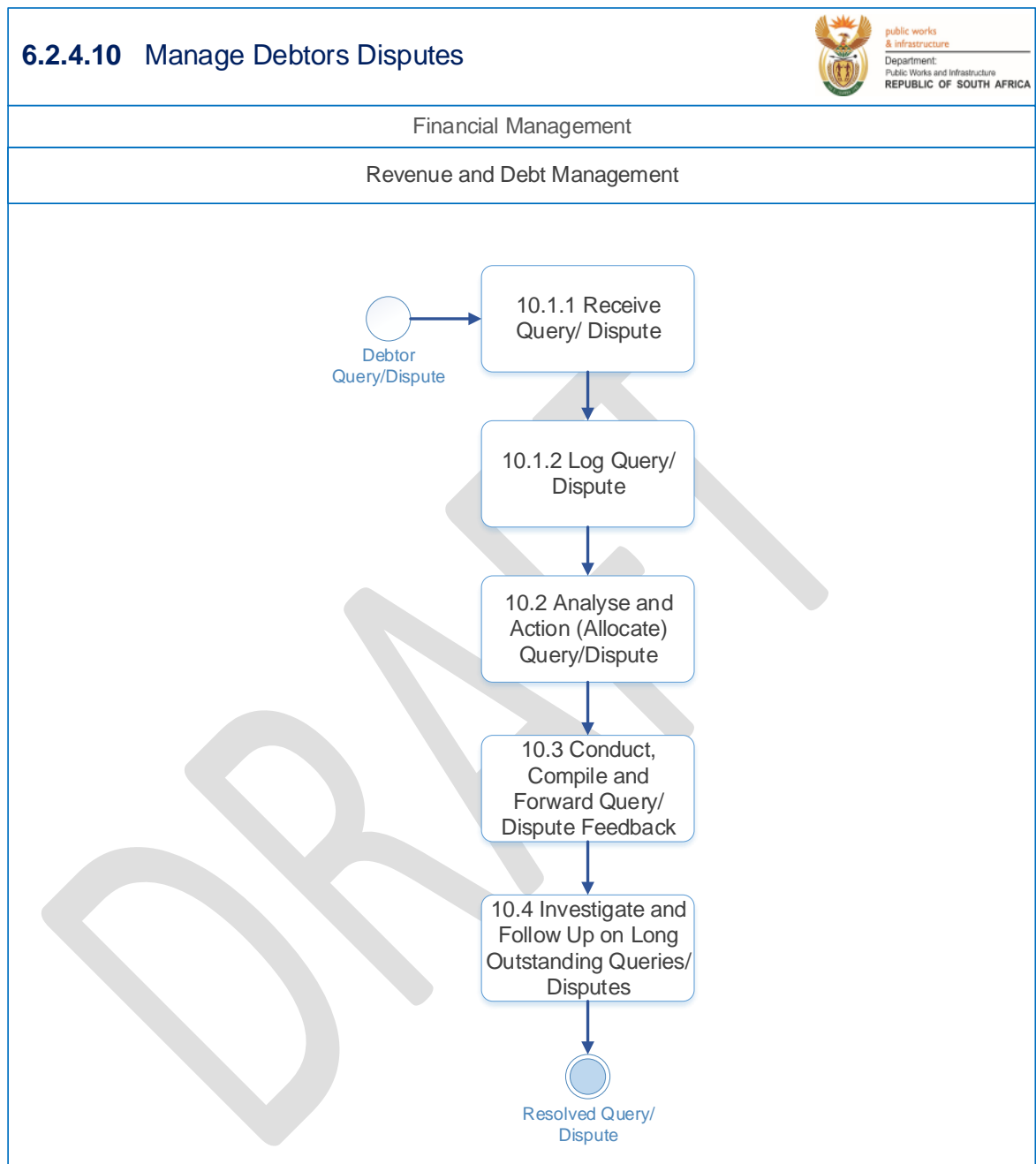**Diagram 10: Manage Debtors Disputes Process Flow**

6.2.4.10 Manage Debtors Disputes	

Financial Management

Revenue and Debt Management

Debtor Query/Dispute

10.1.1 Receive Query/ Dispute

10.1.2 Log Query/ Dispute

10.2 Analyse and Action (Allocate) Query/Dispute

10.3 Conduct, Compile and Forward Query/ Dispute Feedback

10.4 Investigate and Follow Up on Long Outstanding Queries/ Disputes

Resolved Query/ Dispute

Table 10: Manage Debtors Disputes Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
10.	**MANAGE DEBTORS DISPUTES**			
10.1.	Receive and Log Query or Dispute	• Receive and Log Query or Dispute.	TBA	TBA
10.2.	Analyse and Action Query or Dispute	• Analyse and Action Query or Dispute.	TBA	TBA
10.3.	Conduct, Compile and Forward Query or Dispute Feedback	• Conduct, Compile and Forward Query or Dispute Feedback.	TBA	TBA
10.4.	Investigate and Follow up on Long Outstanding Queries or Disputes	• Investigate and Follow up on Long Outstanding Queries or Disputes.	TBA	TBA

5.2.5 MANAGE REPORTING

PROCESS NAME	Manage Reporting
PROCESS OBJECTIVE	To handle provision of reporting to management, regulatory and governing bodies, i.e. all Internal and external reporting requirements.
INITIATING PARTY / PROCESS	➢ Business Units ➢ Financial Management
INITIATING EVENT / TRIGGER	➢ Periodic or Mandatory Reporting Requirements ➢ Internal request or ad hoc request for reports or insights
OUTPUT / RECORDS PRODUCED	➢ KPI ➢ Forecasting ➢ Ad Hoc Reports
GOVERNANCE	➢ Public Auditors Act (PAA) ➢ National Treasury Regulations /Instruction Notes and Circulars ➢ Public Finance Management Act, 1999 (Act No. 1 of 1999) [PFMA] ➢ GRAP Standards

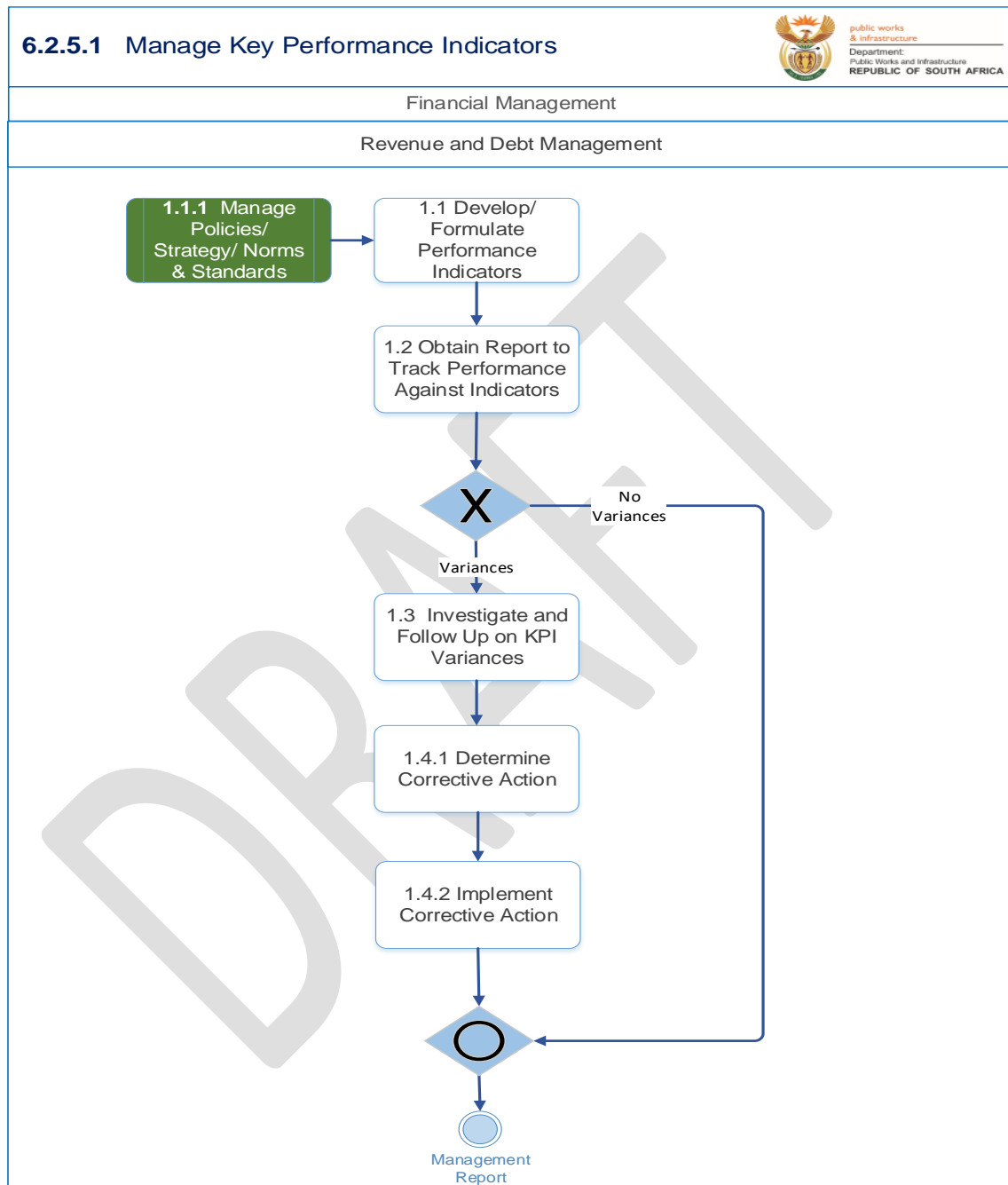**Diagram 0: Manage Reporting Processes**
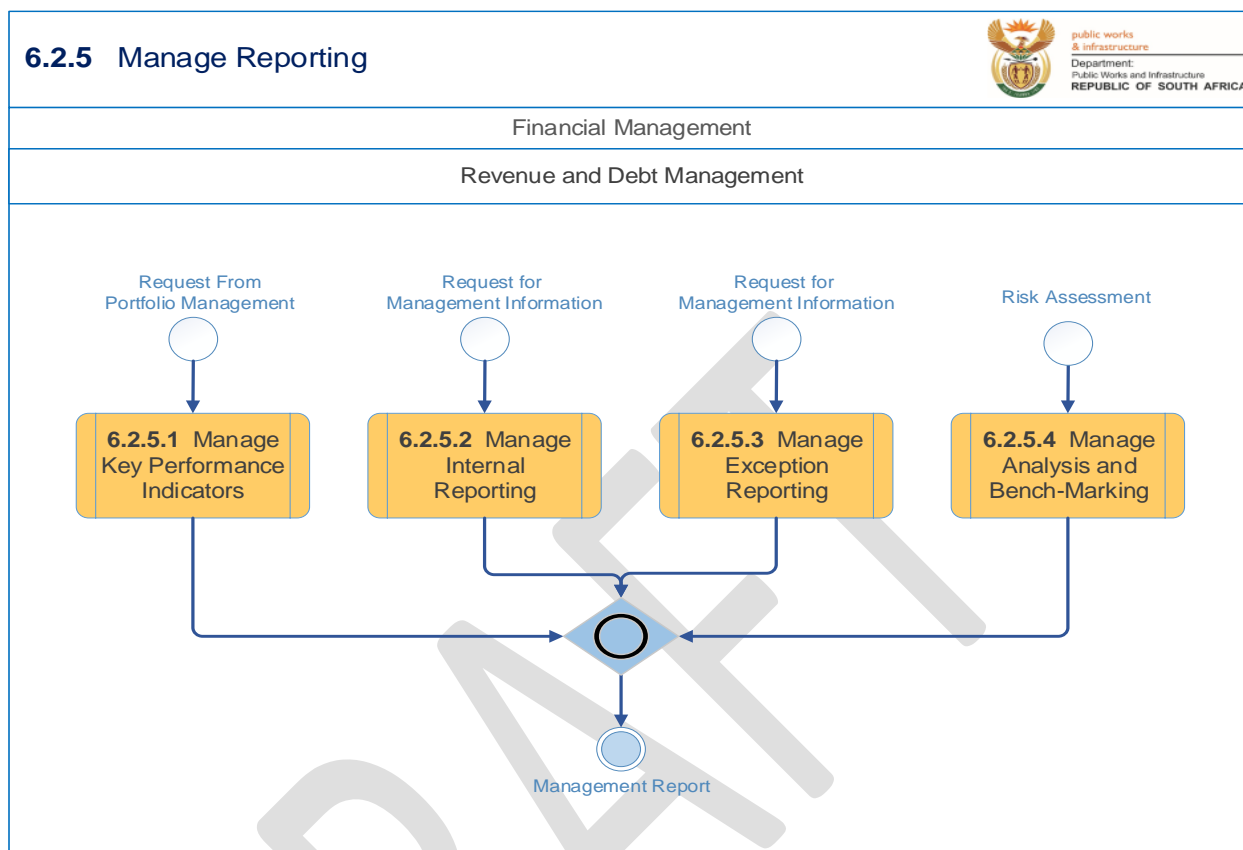
5.2.5.1   *Manage Key Performance Indicators Process*
Diagram 1: Manage Key Performance Indicators Process Flow

Table 1: Manage Key Performance Indicators Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
1.	**MANAGE KEY PERFORMANCE INDICATORS**			
1.1.	Develop / Formulate Performance Indicators	• Develop and Formulate Revenue and Debt related KPI(s). _Note:_ _Ensure that these align to or support the achievement of the overall KPIs for the organisation._	TBA	TBA
1.2.	Obtain Report to Track Performance Against Indicators	• Obtain report to track performance against indicators. • Review and analyse the report information, including calculating of performance percentages (e.g. target vs actual) including projections for the remainder of the year	TBA	TBA
1.3.	Investigate and Follow Up Variances	• Identify any issues that may impact KPI(s) achievement or where performance is not in line with expectations. • Follow up and conduct a more detailed analysis of any issues identified through interactions with the Regions / Responsibility / Project Managers indicating any variances with the reasons thereof.	TBA	TBA
1.4.	Determine and Implement Corrective Actions	• Establish and Implement corrective actions. • Monitor corrective actions to assess impact and implementation success. • Provide input into Internal Management Reports	TBA	TBA

5.2.5.2   *Manage Internal Reporting Process*
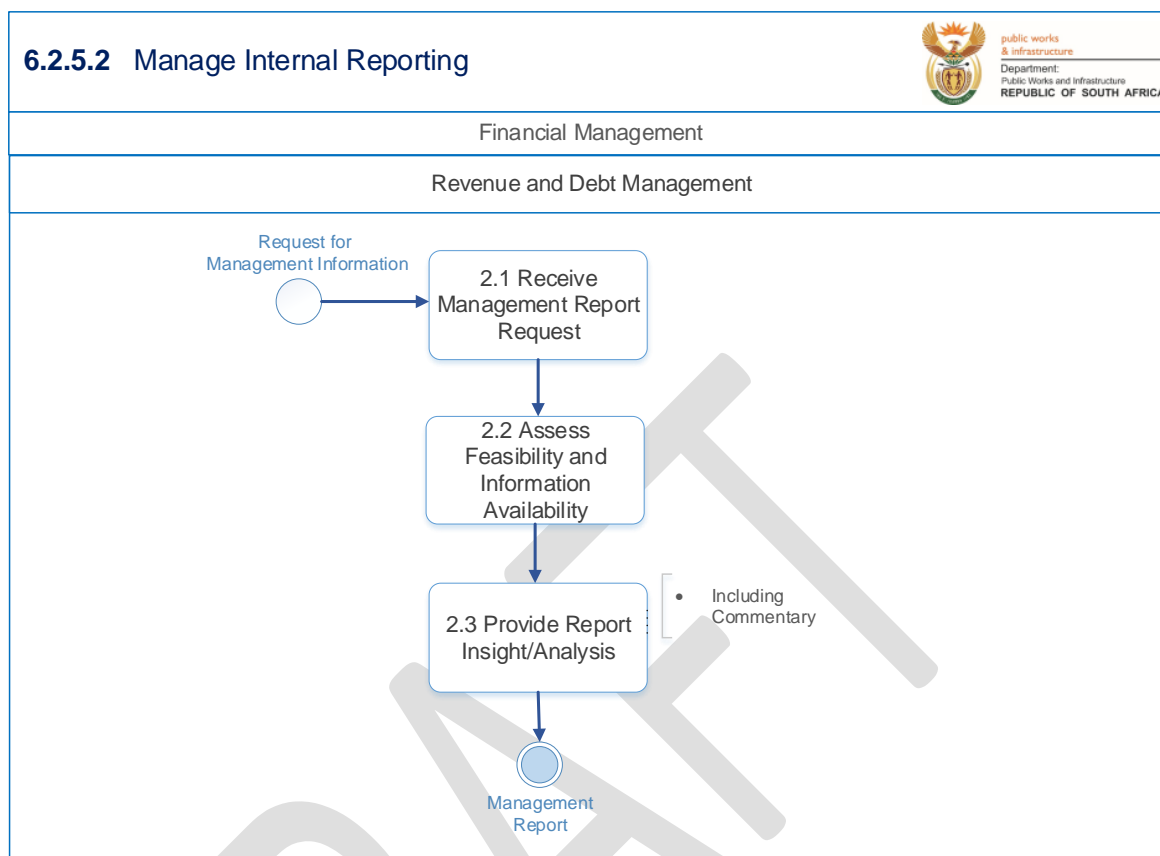**Diagram 2: Manage Internal Reporting Process Flow**

6.2.5.2 Manage Internal Reporting

Financial Management

Revenue and Debt Management

Request for
Management Information

2.1 Receive
Management Report
Request

2.2 Assess
Feasibility and
Information
Availability

2.3 Provide Report
Insight/Analysis

- Including
  Commentary

Management
Report

Table 2: Manage Internal Reporting Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
2.	**MANAGE INTERNAL REPORTING**			
2.1.	Receive request for Management Report from Business	• Receive Internal Report Request from an internal stakeholder/recipient to generate a report based on business or ad hoc needs • Ensure that such Request has been approved in line with Approved Delegations and Approvals Framework.	TBA	TBA
2.2.	Assess Feasibility of Request and availability of information	• Assess Data Availability and Relevance of Internal Report requested and use of the Report Information • Approve Internal Reporting Request in line with Approved Delegations and Approval Framework.	TBA	TBA
2.3.	Provide Report and Insight / Analysis (including Commentary) to Business	• Collate Report Data and information in line with Request or Needs • Consolidate Internal Report including commentary and insights on key issues. • Submit Reports, with insights, to Management and/or Requestor.	TBA	TBA

5.2.5.3   *Manage Exception Reporting Process*
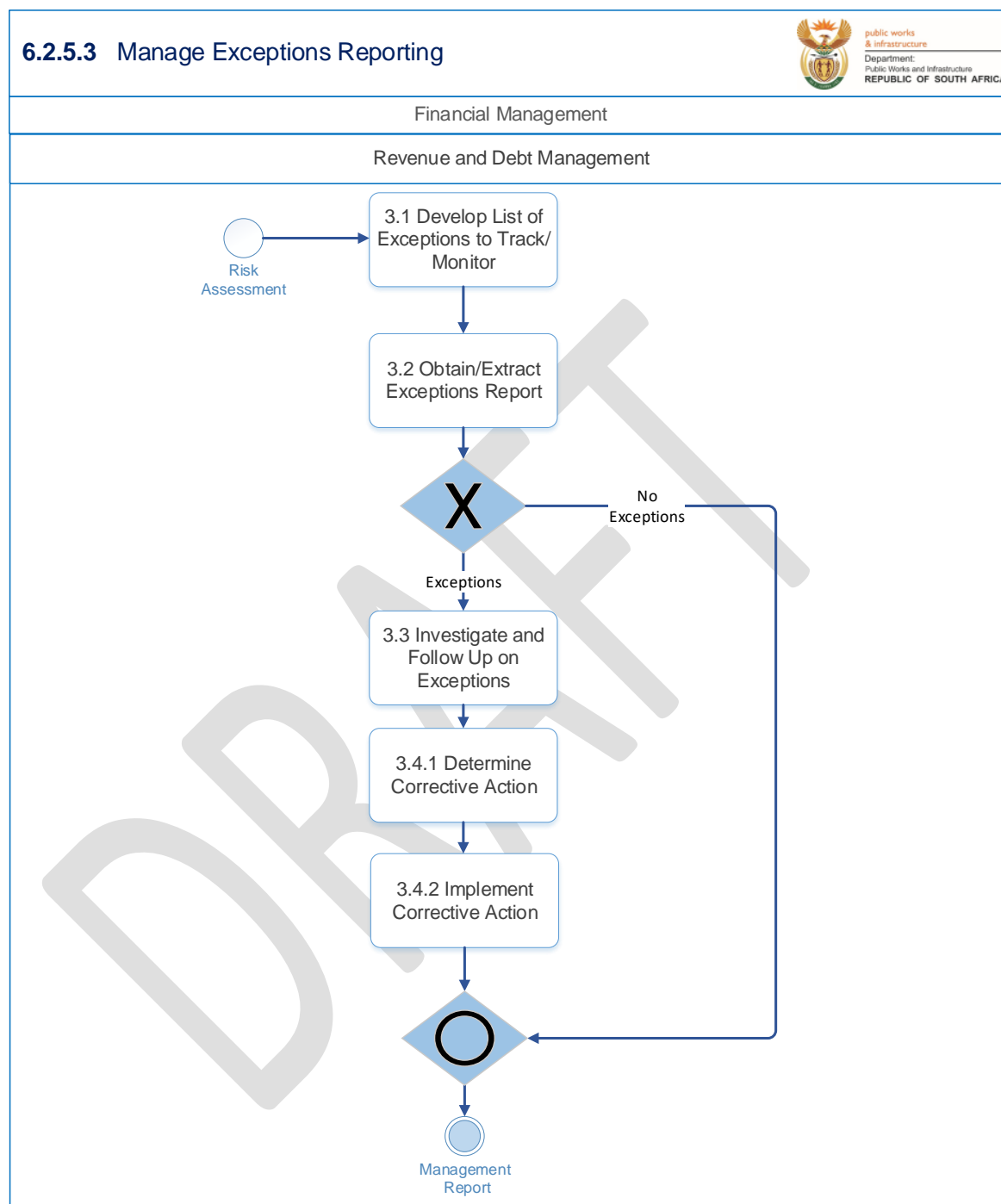**Diagram 3: Manage Exception Reporting Process Flow**

Table 3: Manage Exception Reporting Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
3.	**MANAGE EXCEPTION REPORTING**			
3.1.	Develop List of Exceptions to be Tracked / Monitored	• Develop and Formulate List of Exceptions to be Tracked / Monitored using IT system. • Provide the list to IT for Systems Implementation. _**Note:**_ _Ensure that these are limited to Revenue and Debt related Exceptions._	TBA	TBA
3.2.	Obtain/Extract a Report of Exceptions	• Obtain/extract daily report on any exceptions identified. • Review and analyse the report information including source / origination of exceptions and identify any trends (where applicable).	TBA	TBA
3.3.	Investigate and Follow up on All Exceptions	• Follow up and conduct a more detailed investigation of all exceptions indicating any variances with the reasons thereof.	TBA	TBA
3.4.	Determine and Implement Corrective Actions	• Establish and Implement corrective actions. • Monitor corrective actions to assess impact and implementation success. • Provide input into Internal Management Reports	TBA	TBA

5.2.5.4 *Manage Analysis and Benchmarking Process*
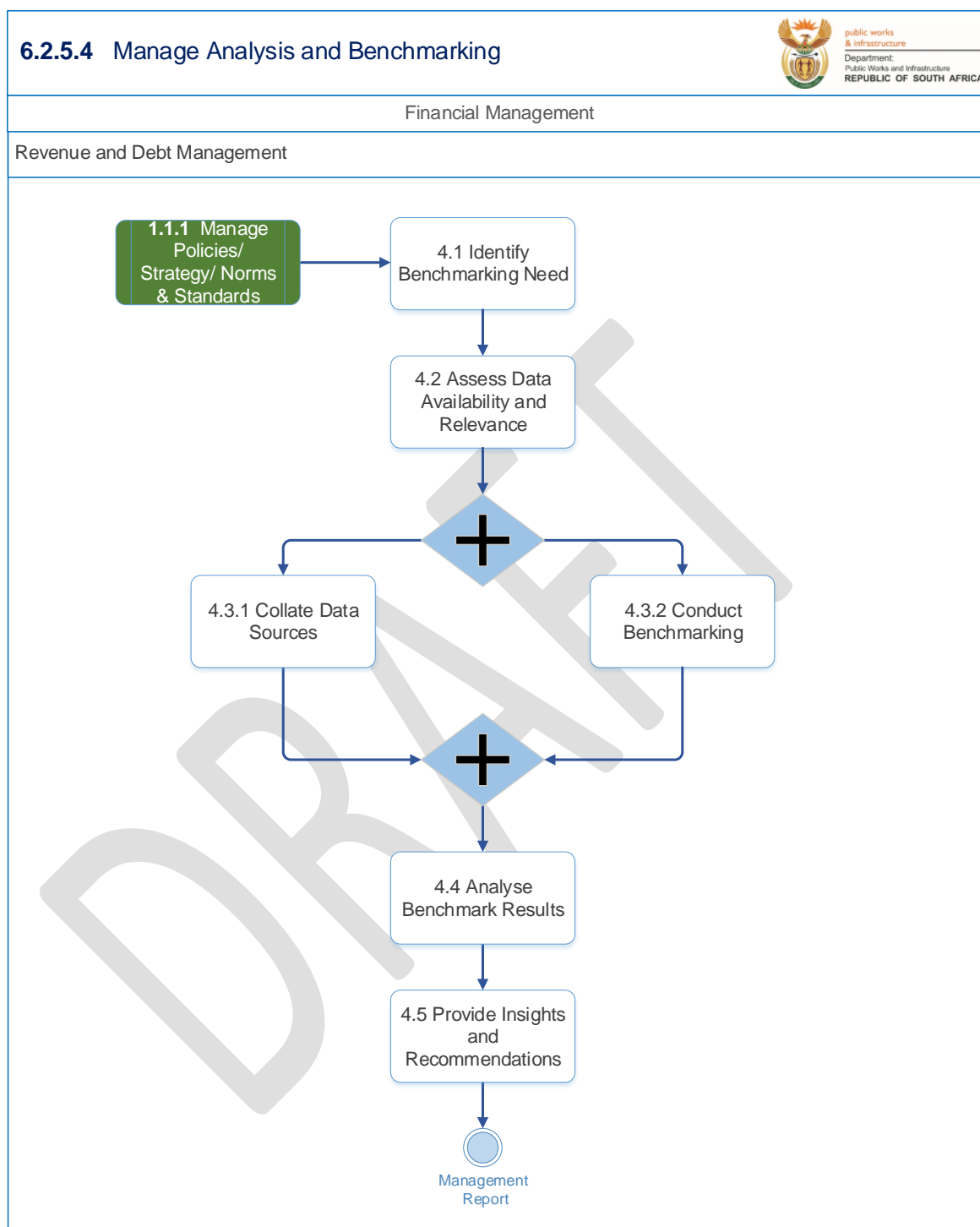**Diagram 4: Manage Analysis and Benchmarking Process Flow**

6.2.5.4 Manage Analysis and Benchmarking

Financial Management

Revenue and Debt Management

1.1.1 Manage Policies/ Strategy/ Norms & Standards

4.1 Identify Benchmarking Need

4.2 Assess Data Availability and Relevance

4.3.1 Collate Data Sources

4.3.2 Conduct Benchmarking

4.4 Analyse Benchmark Results

4.5 Provide Insights and Recommendations

Management Report

Table 4: Manage Analysis and Benchmarking Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
4.	**AMANAGE ANALYSIS AND BENCHMARKING**			
4.1.	Identify Benchmarking Need	• Develop and Formulate Benchmarking Needs for the Revenue and Debt Unit. • This can also include Receive requests from other Responsibilities / Units for Benchmark data that they can use in developing and/or self-monitoring their respective budgets. **_Note:_** _Ensure that these are limited to Revenue and Debt related Benchmarks_	TBA	TBA
4.2.	Assess Data Availability and Relevance	• Assess Data Availability and Relevance of Benchmarking Needs and use of the benchmark output information • Approve Benchmark request in line with Approved Delegations and Approval Framework.	TBA	TBA
4.3.	Collate Data Sources and Benchmark	• Collate Internal and external (where necessary) Benchmarking Data and information in line with Request or Needs • Perform benchmarking calculation and/or comparison in line with Needs and/or Request.	TBA	TBA
4.4.	Analyse Benchmark Results	• Analyse results or outputs of benchmarking exercise. • Follow up and conduct a more detailed analysis of any issues through interactions with the Regions / Responsibility / Project Managers indicating any Benchmark results/outputs and obtain understanding of the underlying cause of any variances.	TBA	TBA

DPWI Internal

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
4.5.	Provide Insights and Recommendations	• Consolidate Benchmark report with the results / outputs, including commentary and insights on key issues. • Submit Reports, with insights, to Management and/or Requestor.	TBA	TBA

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5.2.6 MANAGE INFORMATION

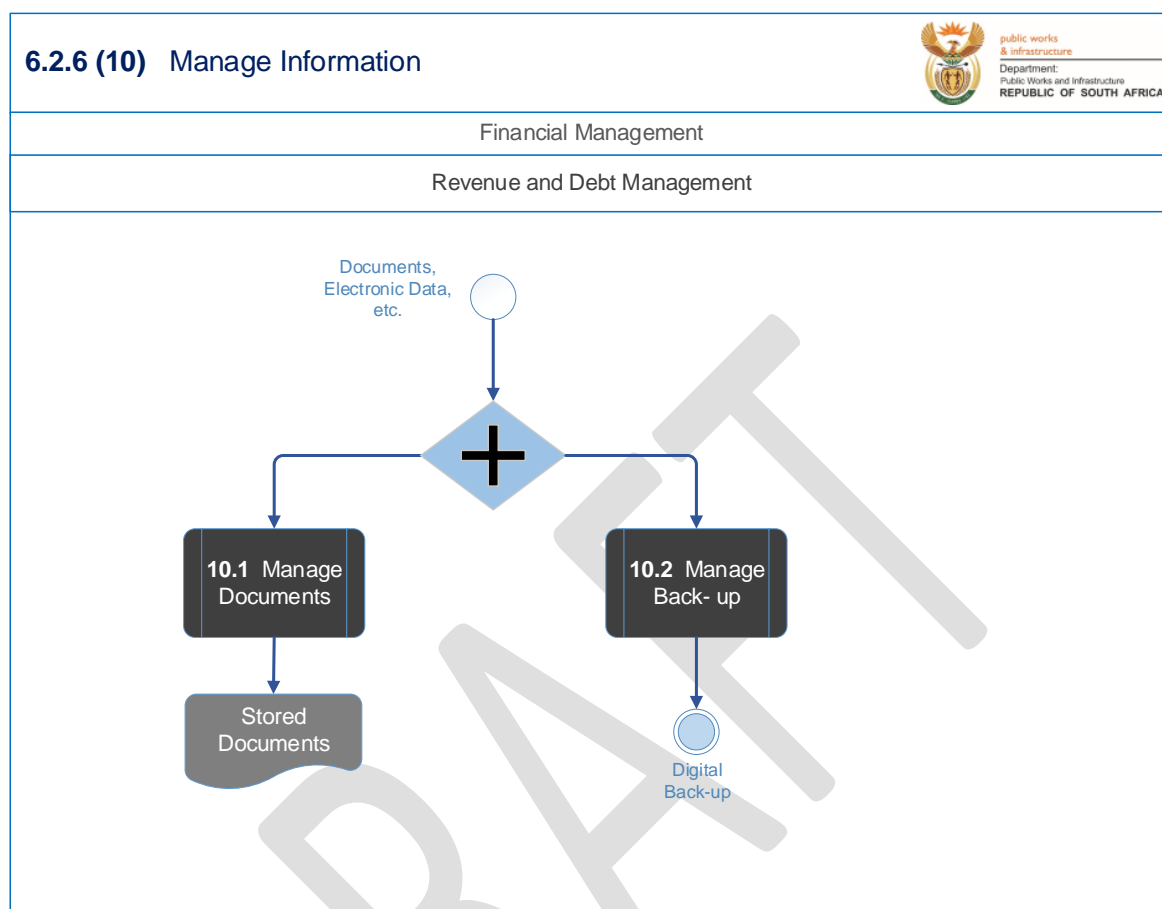| PROCESS NAME	Manage Information
PROCESS OBJECTIVE	Effectively Manage Revenue and Debt Information/Documentation
INITIATING PARTY / PROCESS	Revenue and Debt
INITIATING EVENT / TRIGGER	➢ Receipt of Documentation Ready for Filling ➢ Backup Request Form/ Automated Backup
OUTPUT / RECORDS PRODUCED	Filed/ Backed up documents/ information
GOVERNANCE	➢ Public Auditors Act (PAA) ➢ NT Regulations /Instruction Notes and Circulars ➢ Public Finance Management Act, 1999 (Act No. 1 of 1999) [PFMA]

Diagram 1: Manage Information Process Flow

6.2.6 (10) Manage Information

Financial Management

Revenue and Debt Management

Documents, Electronic Data, etc.

10.1 Manage Documents

10.2 Manage Back- up

Stored Documents

Digital Back-up

Table 6: Manage Information Process Activity Detail Table

NO	ACTIVITY	ACTIVITY DESCRIPTION	IT SYSTEM	ROLE
1.	**MANAGE INFORMATION**			
10.1	MANAGE DOCUMENTS	Manage Documents in line with Information Management - **Manage Document** Processes.	N/A	N/A
10.2	MANAGE BACK-UP	Manage Back-up in line with Information Management - **Manage Back-Up** Processes.	N/A	N/A

6. AUTHORITY

This SOP is supported by and should be read in conjunction with the latest Official Delegations of Authority document as issued by Management. Where there are differences between the delegated authorities and/or the powers stated in this SOP and the delegated authorities and/or powers within the latest Official Delegations of Authority, the Official Delegations of Authority will supersede any authority and/or powers implied within this document.

Where there are authority and/or power discrepancies or should the authority and/or power be unclear, a formal request should be submitted to the relevant Management Committee to obtain formal clarification of the relevant authority and/or power.

7. CONTINGENCY

If an implementation deviation occurs with a SOP, this can be either the result of unacceptable implementation by the responsible employees or it might be the SOP itself that is at fault. Perhaps the user found a much superior way of doing the job, from the one described in the SOP. If the cause lies with the SOP, this indicates that the SOP needs to be updated since continuous deviation in implementation is not acceptable.

There may be exceptional cases where it is necessary or appropriate to work outside a SOP, e.g. in the event of a computer breakdown. In such situations, the professional judgement of the manager in charge must remain paramount.

When the procedure in a SOP cannot be followed, a formal request for deviation should be obtained in writing from the relevant supervisor and manager.

The manager is responsible for formally recording all incidences of non-conformance with SOPs. In some cases, it may be possible to anticipate situations where changed circumstances will apply. These should be reflected within the SOP's in the next revision.

8. SOP ENGAGEMENTS AND PARTICIPATION

8.1 ENGAGEMENT TYPES

Initial Engagements: The objective of the Initial Engagements was to obtain a high-level understanding of the Divisions' processes as well as the challenges with current processes.

High Level Process Clarification Engagements: The objective of the High-Level Process Clarification Engagements was to obtain an understanding of the Divisions' high-level end to end as-is process and verify those processes against the process hierarchy developed as part of the Initial Engagement Phase. The input is used to finalize the As-Is Value Chain, Process Hierarchy and End-to-end Process View.

Activity Clarification Engagements: The objective of these sessions is to verify the step-by-step activities for each identified process. This input will be used for Process Analysis and To-Be Standard Operating Procedure design purposes.

The following teams and people were consulted in the drafting of the latest SOP version:

ENGAGEMENT DATE	ENGAGEMENT DETAILS
See BPR Engagement Tracker for Details	

8.2 STAKEHOLDER DISTRIBUTION LIST

This SOP has been distributed to the following individuals and teams for review and/or implementation purposes:

SOP DISTRIBUTION LIST
TBA

9. ANNEXURES AND ATTACHMENTS

The following annexures and attachments support the content of this SOP:

ATTACHMENT / ANNEXURE	FULL DESCRIPTION
Definitions and Acronyms	List of Definitions and Acronyms used in the SOP is as provided under section 1
Financial Management Blue Print	Provided as a separate document.
Placemat Description Document	Provided as a separate document.
Core Value Chains	Provided as a separate document.