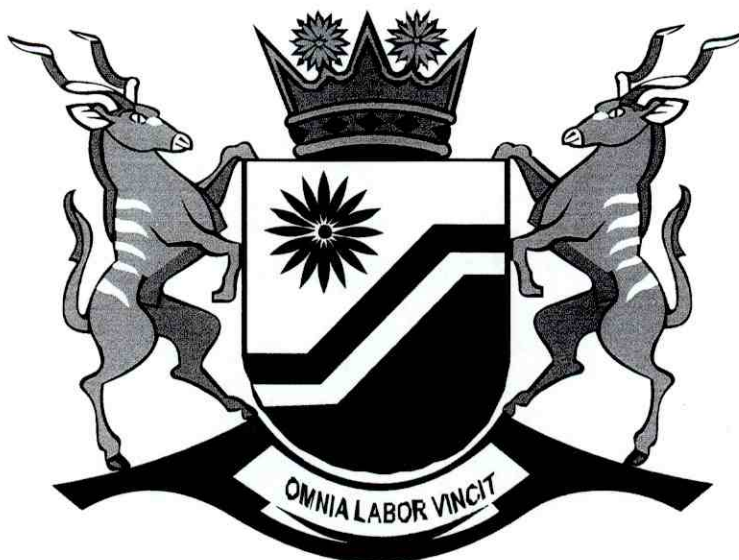


# Mpumalanga Provincial Government



Department of Public Works, Roads and Transport

## ADVANCE POLICY

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Revision Date:..... None  
Issue: ..... 1.0  
Responsible Section..... Financial Management  
Approval Date.....

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## 1. ABBREVIATIONS AND DEFINITIONS

### 1.1. ABBREVIATIONS

<b>PFMA</b>	: Public Finance Management Act
<b>TR</b>	: Treasury Regulations
<b>HOD</b>	: Accounting Officer
<b>CFO</b>	: Chief Financial Officer
<b>DPSA</b>	: National Department of Public Service and Administration
<b>VAT</b>	: Value Added Tax
<b>PSA</b>	: Public Services Act

### 1.2. DEFINITIONS

<b>Department Official</b>	: Mpumalanga Department of Public Works, Roads and Transport : A person employed by the Department in terms of the Public Service Act, Act of 1994 (proclamation No. 103 of 1994)
<b>Advance</b>	: Is to bring forward or make an early payment of a salary to an official to enable availability of cash while undertaking a foreign official trip.
<b>Month</b>	: A period extending from the first to the last day of the calendar month, with both days inclusive, of any one of the 12 months of a year.
<b>Official Trip</b>	: An authorized trip travelled by an official for execution of his or her duties as part of the activities of the Department.
<b>Foreign Trip</b>	: An official trip, duly authorized trip, travelled by an employee outside the Republic of South Africa.

## 2. INTRODUCTION

The Accounting Officer of an Institution shall ensure that internal procedures and internal control measures are in place for the approval of payments and processing of claims. Treasury Regulations of 2005 Chapter 08.

## 3. OBJECTIVES

The purpose of this policy is:

- 3.1. To provide guidelines and best practices in the issuing and usage of advance by officials when undertaking official duties beyond the borders of the Republic of South Africa.



## **4. REGULATORY FRAMEWORK**

- 4.1. Constitution of the Republic of South Africa, 1996
- 4.2. Public Service Regulations, 2001
- 4.3. Public Service Act, Act No. 103 of 1994
- 4.4. Treasury Regulations
- 4.5. Department of Public Service and Administration, Financial Circular and Manuals.
- 4.6. Departmental Debt Management Policy.
- 4.7. Travel and Subsistence Policy.

## **5. SCOPE OF APPLICATION**

This policy shall be applicable to:

- 5.1. All officials of the Department of Public Works, Roads and Transport who are undertaking an official international trip.

## **6. POLICY STATEMENT**

### **6.1. Conditions of issuing an advance**

- 6.1.1. Advance shall be issued to officials undertaking international official trips only.
- 6.1.2. No advance shall be issued to an official who is serving a notice and/ or officials employed on a temporal basis.
- 6.1.3. An application for advance shall be submitted to the financial accounting section accompanied by a copy of approval from the Executive Authority, clearly stating the purpose of the trip, list of delegation, specific country/ies to be visited and all other relevant documentation.
- 6.1.4. Advance shall be paid using the currency rate of the country to be visited at the time of such a visit.

### **6.2. Settlement of Advances**

- 6.2.1. An advance shall be settled within 30 days of the day of return from the trip or else the amount so advanced shall be deducted, within the allowable limit, from the official's subsequent salary until it is fully settled.
- 6.2.2. If the advance amount is within the allowable deduction limit, it shall be recovered as a once-off payment deductible with interest from the official's next salary payment as determined in the Departmental Debt Policy.
- 6.2.3. All receipts or invoices and the Executive Authority approval shall be submitted to salary section for clearing.





### **6.3. Calculation of the period of absence**

- 6.3.1. The calculation shall start from the time the official departs from the place of residence or office up to the time the official returns to the office or place of residence.
- 6.3.2. Only daily allowance of the final destination shall be calculated.
- 6.3.3. For every full hour in excess of the 24 hours, or in excess of a multiple 24 hours, the daily allowance shall be paid at a rate determined by DPSA.

## **7. ROLES AND RESPONSIBILITIES**

- 7.1 The HOD is accountable for this policy and should ensure adherence thereto.
- 7.2 The Chief Financial Officer is accountable for the implementation and enforcement of the policy.
- 7.3 The Senior Manager Financial Accounting is responsible for the implementation and enforcement of the policy
- 7.4 The Salaries section is the responsible unit for appropriate execution and implementation of the policy.
- 7.5 All officials in the Department shall be aware of this policy and proper execute their duties in line with the implementation of the policy.

## **8. MONITORING AND EVALUATION**

The Financial Management section shall monitor implementation of the policy on day to day operations and any deviations shall be reported to the HOD.

## **9. POLICY REVIEW**

The policy shall be reviewed to factors in changes in the legal frameworks, organizational developments, political and economic trends, and envisaged outputs by the Medium Term Expenditure Framework as well as outcomes of monitoring and evaluation.

## **10. APPROVAL**

Approved



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**K.M MOHLASEDI**  
**HEAD OF DEPARTMENT**

DATE: 2012/07/10