

MPUMALANGA PROVINCIAL GOVERNMENT



DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

POLICY ON REVENUE MANAGEMENT

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1. ABBREVIATIONS AND DEFINITIONS

1.1. ABBREVIATIONS

PMGA	:	Paymaster General Account
BAS	:	Basic Accounting System
AO	:	Accounting Officer
HOD	:	Head of Department
DoRA	:	Division of Revenue Act
PRF	:	Provincial Revenue Fund
PFMA	:	Public Finance Management Act

1.2. DEFINITIONS

Revenue	:	Money collected from various own revenue sources
Optimal	:	Most favourable/ Best
Department	:	Department of Public Works, Roads and Transport
PMG Account	:	Departmental bank account where money collected is deposited
BAS	:	Financial system where money is Recorded and accounted for

2. INTRODUCTION

The revenue management policy seek to provide guidelines to ensure sound and best practice for identification, collection, banking, recording, reconciling and monitoring of own revenue collection and management for the Department of Public Works, Roads and Transport.

3. OBJECTIVES

The objective of this policy is to:

- 3.1. Provide guidelines to ensure sound and best practice for identification, collection, banking, recording, reconciling and monitoring of own revenue collection and management for the Department of Public Works, Roads and Transport.



4. REGULATORY FRAMEWORK

- 4.1. Public Finance Management Act (Act 1 of 1999 as amended)
- 4.2. Constitution of the Republic of South Africa 1996(Act no. 108 of 1996)
- 4.3. Treasury Regulations
- 4.4. Division of Revenue Act
- 4.5. National Road Traffic Act

5. SCOPE OF APPLICATION

The policy is applicable to:

- 5.1. All officials of the Department
- 5.2. All Registering Authorities.

6. POLICY STATEMENT

The Accounting Officer of the Department of shall manage revenue efficiently and effectively by developing and implementing appropriate processes that provide for the identification, collection, safeguarding, recording and reconciliation of information about revenue.

6.1. Principles guiding the policy

- 6.1.1. Own revenue of the Department t is managed in accordance with the set prescripts, regulations and standards.
- 6.1.2. All revenue to which the Department is entitled is collected.
- 6.1.3. All revenue is recorded accurately in the financial records.
- 6.1.4. All revenue is recorded completely and accurately in accordance with the classification on the financial system (BAS).
- 6.1.5. All recorded revenue is appropriately authorized prior to updating the financial system (BAS).
- 6.1.6. All outstanding revenue is timeously recovered.
- 6.1.7. All revenue is properly disclosed in accordance with the requirements of PFMA and Treasury Regulations.

6.2. PROCEDURES

Processes to be followed

- 6.2.1. All revenue collected shall be collected by the department's officials in various cash offices on a daily basis.
- 6.2.2. All revenue on the National Road Traffic Act shall be collected by all Registering Authorities within the province and be deposited into the departmental bank account on or before the 21st of each month.
- 6.2.3. It is compulsory that all own revenue collected from other sources, which is above R500.00 (Five hundred rand) should be banked in the departmental PMG account within 24 hours.
- 6.2.4. All revenue collected shall be transferred to Provincial Revenue Fund bi-monthly as per the schedule from Provincial Treasury.
- 6.2.5. All cashiers shall be appointed in writing by the beginning of the financial year.
- 6.2.6. All revenue collected shall be accounted for on BAS.

6.3. Methods of payment

The following methods of payments shall be used in the department:

- 6.3.1. Cash
- 6.3.2. Bank guaranteed cheques
- 6.3.3. Postal orders
- 6.3.4. Electronic Bank Transfers
- 6.3.5. Direct deposits

7. ROLES AND RESPONSIBILITIES

- 7.1. The Manager: Revenue Management is responsible for the day to day operations of managing revenue.
- 7.2. The cashiers in various revenue hubs of the departmental revenue should ensure that all the revenue collected is deposited in line with 6. 2. 3. Above.
- 7.3. The CFO shall produce financial statements showing revenue collected for the financial period

8. MONITORING AND EVALUATION

The Revenue section shall monitor the implementation of the policy and shall report any deviations to the Head of the Department in writing.



9. POLICY REVIEW

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

10. APPROVAL

APPROVED



KM MOHLASEDI
HEAD OF DEPARTMENT

DATE : 2020/11/12