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TREASURY CIRCULAR NO 22 OF 2010

THE ACCOUNTING OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR JM RABODILA)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR RM MOROPA)
THE ACCOUNTING OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR D MAHLOBO)
THE ACCOUNTING OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MS NL SITHOLE)
THE ACCOUNTING OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MR RS TSHUKUDU)
THE ACCOUNTING OFFICER: VOTE 7: EDUCATION (MS MOC MHLABANE)
THE ACCOUNTING OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MR KM MOHLASEDI)
THE ACCOUNTING OFFICER: VOTE 9: SAFETY, SECURITY & LIAISON (MR IN KHOZA)
THE ACCOUNTING OFFICER: VOTE 10: HEALTH (DR JJ MAHLANGU)
THE ACCOUNTING OFFICER: VOTE 11: CULTURE SPORTS AND RECREATION (MS SP MJWARA)
THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS NL MLANGENI) ACTING
THE ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENT (MR D DUBE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MS P NGWENYA) ACTING
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR S SANYANE)
THE CHIEF FINANCIAL OFFICER: VOTE 3: FINANCE (MS P SEMENYA)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR MD SHIPALANA)
THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MS B LAWRENCE)
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MS J HLATSHWAYO)
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MR C MNISI)
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MS PN MOJAPELO)
THE CHIEF FINANCIAL OFFICER: VOTE 9: SAFETY, SECURITY & LIAISON (MR BH NGOMA)
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MS G MILAZI) ACTING
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE SPORTS AND RECREATION (MR M KHOZA)
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS PMORGAN) ACTING
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENT (MR CT DLAMINI)

2011/12 TREASURY GUIDELINES

The purpose of the circular, issued in terms of section 27 (3) (a-j) of the Public Finance Management Act, 1999 (No 1 of 1999) (PFMA) is to provide guidelines to Provincial Departments as well as Public Entities on the 2011/12 Budget Formats Guideline document.

The Budget Formats Guideline document is aimed at assisting the Provincial Administration in the preparation and timely submissions of the 1st 2011/12 budget documentation that are due to the Provincial Treasury on or before the 31st July 2010 and due for further submission to National Treasury on 31 August 2010.

These submissions culminate in the tabling and publishing of the Estimates of Provincial Revenue and Expenditure book which was previously known as Estimates of Provincial Expenditure (EPE) or Budget Statements.

The Estimates of Provincial Revenue and Expenditure book is considered a summary of the departmental strategic and performance plans to a level at which the legislature and the public can engage the provincial departments. It further contains a detailed analysis of departmental receipt and payment performance; covering infrastructure payments; transfers to public entities and local government; personnel numbers and costs; as well as payments on training. It also provides departments with an opportunity to analyse the various trends and provide a narrative thereto.

One of the key aims of Estimates of Provincial Revenue and Expenditure is to provide a minimum set of information on receipts, payments, budget and programme structures together with departmental objectives and service delivery measures up to sub-programme level.

Departmental inputs are provided in the Estimates of Provincial Revenue and Expenditure and are the culmination of a comprehensive budget process, involving the discussion of policy priorities and matching available resources to the costed plans.

The matching of resources to plans assists in better alignment of service delivery commitments and multi-year budgets, as published in Estimates of Provincial Revenue and Expenditure.

As an attachment to this correspondence, the Members of the Provincial Management Committee are provided with the guideline on how the Estimates of Provincial Revenue and Expenditure book will be written.

The tables that must be populated are also provided for uniformity across departments in a province and across the 9 provinces for better consolidation at a national government level. Provision of accurate information as well as compliance to the guideline is therefore critical.

It is worth noting that a Budget guideline workshop has already been conducted by the Provincial Treasury on 01 July 2010 to all departmental budget office officials as

well as departmental planners as they are an important resource in the writing of the estimates book.

The participants were taken through the following areas, amongst others:

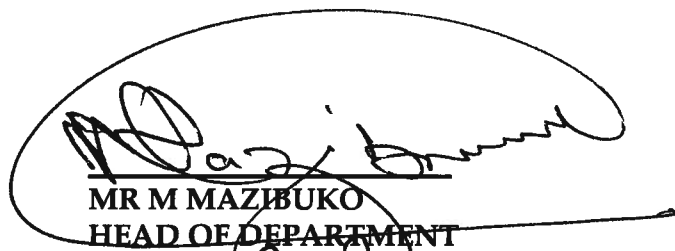
- o 2011/12 Budget Formats Guideline attached hereto;
- o Budget Process Schedule
- o Databases (set of excel tables that support the writing of the estimates book.

The role of the Members of the Provincial Management Committee in this process is to provide strategic direction in the writing of the estimates book as well as to provide the necessary sign - offs at the various stages of the writing of the book.

A presentation will be made at the next PMC meeting on 18th July 2010 on the 2011/12 Budget Formats Guideline in order to provide the members of PMC an opportunity to engage with the Provincial Treasury on the Budget Formats Guideline.

The Members of the Provincial Management Committee are encouraged to familiarise themselves with the guideline document prior to the meeting.

The support of the members of PMC is always appreciated.


MR M MAZIBUKO
HEAD OF DEPARTMENT
DATE: 12/07/2010