

# MPUMALANGA PROVINCIAL GOVERNMENT

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## Department of Finance

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### PROVINCIAL TREASURY CIRCULAR 8 OF 2010

TO:

DIRECTOR-GENERAL  
HEADS OF DEPARTMENTS

#### UNAUTHORISED EXPENDITURE

The purpose of the Circular is to reiterate the correct procedures to be followed where unauthorised expenditure is incurred.

Unauthorised expenditure is defined as the overspending of a vote or a main division within a vote; or expenditure that was not made in accordance with the purpose of a vote or a main division.

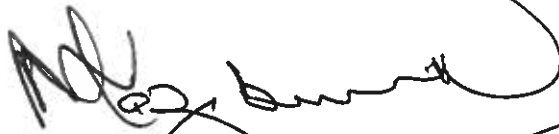
On discovery of alleged unauthorised expenditure, the Accounting Officer must create an unauthorised expenditure register reflecting details of such expenditure. The alleged unauthorised expenditure must be investigated within 30 days after discovery thereof to determine liability and the register updated with the results of the investigation. The Accounting Officer must report the unauthorised expenditure to the Provincial Treasury (Sustainable Resource Management Branch) within 7 days after receipt of the investigation report and also take appropriate disciplinary steps if necessary. The Sustainable Resource Management Branch will submit a report to SCOPA within 7 days after receipt of an Accounting Officer's report on unauthorised expenditure and advise on approval / non-approval. In the case where approval is proposed, the Branch would also advise on whether additional funds should be allocated from the Provincial Revenue Fund or whether it should be treated as a first charge against funds allocated for the future financial year.



In cases where SCOPA decided to support the proposal and Cabinet decided to approve the unauthorised expenditure in terms of Section 34 of the Public Finance Management Act, No. 1 of 1999, the Sustainable Resource Management Branch will then table legislation in this regard.

It will be appreciated if the content of this Circular could be distributed to the relevant role-players in your Departments.

Regards



MR. M. MAZIBUKO  
HEAD OF DEPARTMENT

DATE: 17/05/2010