

							will be tabled before the council for the approval of the derecognition of those assets in the fixed asset register.
	PPE: Emergency equipment assets not barcoded in the asset register (EX.126)	Management did not take necessary steps to review the assets register to ensure that there are no deficiencies.	Management is not in agreement with this finding due to the nature of the assets which the AG is proposing that they should be barcoded. We have alternatively updated the asset register with more information relating to the color, size and quantity of JOJO tanks	15-Feb-16	Finance		Fixed asset register has been updated with the additional information.
	PPE: Obsolete assets with no unique asset number or barcode (EX.56)	<p>Relating to keyboards, initially they were not barcoded</p> <p>- Other barcodes fell off and no due care was taken in order to ensure that they were replaced or placed back on to the assets.</p> <p>- Vehicles, no due care was taken in order to ensure that the list of obsolete goods was filled in completely.</p>	A list of damaged and lost assets is currently being compiled and will be tabled before the council for the approval of the derecognition of those assets in the fixed asset register.	22-Jan-16	Finance		Damaged assets for all units are currently being identified.

	PPE: Assets in the asset register do not have barcoded (EX.66)	Management did not take necessary steps to review the assets register to ensure that there are no deficiencies	A 100% physical verification for both movable and immovable assets, has been scheduled to start from 01 February 2016 until 29 February 2016. This exercise will ensure that all assets that are not barcoded are identified and barcoded.	29-Feb-16	Finance		Custodians of the assets are educated on the importance of safeguarding of municipal assets allocated to them.	
OPERATING EXPENDITURE	Procurement: Declaration of interest not submitted by suppliers (EX.44)	The matter is caused by the municipality continuing to procure the services of these suppliers without obtaining the declaration of interest forms	A thorough check will be done to verify suppliers prior appointed if their declarations are true reflection to what is filled on the tender document.	Ongoing	Finance		In progress	
	Procurement: Declaration of interest forms not obtained for procurement of awards between R10 000 to R30 000 (EX.61)	Management indicated that they was not aware that the MBD4 form is required for quotations between R10 000 and R30 000, therefore control activities were not established to ensure that all laws and regulations are complied with.	We will ensure that compliance is enforce in accordance with section 13(b) of the SCM regulation	Ongoing	Finance		In progress	
	Irregular, fruitless and wasteful and	Lack of proper and effective monitoring by	The f/wu expenditure registers are developed to ensure compliance	15-Apr-16	Finance		In progress	

<p>unauthorised expenditure: No investigation (EX:86)</p>	<p>management to ensure that unauthorised, irregular, and fruitless and wasteful expenditure are investigated</p>	<p>therefore investigation will be easily conducted.</p>			<p>In progress</p>
<p>Procurement: Construction contracts not advertised and registered on the CIDB Database (EX:101)</p>	<p>Management experienced difficulties with the registration of suppliers on the CIDB website.</p>	<p>We will ensure that compliance is enforced with requirements of the CIDB regulation and ensure that all construction contracts are registered on the CIDB website.</p>	<p>Ongoing</p>	<p>Finance</p>	<p>In progress</p>
<p>Procurement: Non-compliance with SCM regulations and MSA act (EX:108)</p>	<p>Lack of management oversight regarding the implementation of the relevant laws and regulation</p>	<p>We will ensure that compliance is enforced in accordance with section 6(2)(a)(i)&(ii); 6(3) & 50(1) of the SCM regulation</p>	<p>Monthly</p>	<p>Finance</p>	<p>In progress</p>
<p>Procurement: BBBEE Scores awarded to suppliers without valid BBBEE Certificates (EX:112)</p>	<p>The bid evaluations committee and the bid adjudication committee did not correctly apply the Supply Chain Management policy and the Preferential Procurement Policy Framework Act which requires that no points may be awarded to the bidder with invalid B-BBEE Status Level Verification Certificates or certified copies thereof.</p>	<p>A thorough check will be done to avoid scoring bidders if invalid BBBEE Certificate.</p>	<p>Ongoing</p>	<p>Finance</p>	<p>In progress</p>

	<p>Procurement: Contract performance monitoring measures not implemented by the municipality (EX. 117)</p>	<p>Management did not establish monitoring controls over contracts.</p>	<p>Improved contract management: Capacity building within the technical services and SCM Department need to be initiated and enhanced. The performance of the appointed contractor will be monitored on a monthly basis as required by section 116 (2)(b) of the M/FMA</p>	<p>Ongoing</p>	<p>Finance</p>	<p>In progress</p>
	<p>Procurement (consultants): Lack of internal controls to ensure value for money of use of work of consultants (EX. 129)</p>	<p>Management did not take responsibility to ensure that there are sufficient monitoring controls in place over the work of the consultants.</p>	<p>The primary aim of the appointment of consultants is to supplement inadequacies of skills at municipality as the municipality was not performing well. The champion department will be actively involved in all the processes and ensure that there is skills transfer so that reliance on consultants can be reduced.</p> <ul style="list-style-type: none"> • The consultant have to visit the municipality regularly; • The consultant must submit progress reports; • The consultant will be monitored based on a monthly basis • We will ensure that the consultant conduct trainings and seminars; 	<p>Ongoing</p>	<p>Finance</p>	<p>In progress</p>
	<p>Procurement (consultants): It could not be confirmed that skills were transferred by the consultants appointed (EX. 135)</p>	<p>Lack of management oversight on proper monitoring of the contractual terms with the consultants</p>	<p>The primary aim of the appointment of consultants is to supplement inadequacies of skills at municipality as the municipality was not performing well. The</p>	<p>Ongoing</p>	<p>Finance</p>	<p>In progress</p>

			<p>champion department will be actively involved in all the processes and ensure that there is skills transfer so that reliance on consultants can be reduced.</p> <ul style="list-style-type: none"> The consultant have to visit the municipality regularly; The consultant must submit progress reports; The consultant will be monitored based on a monthly basis We will ensure that the consultant conduct trainings and seminars; 				
	<p>Procurement (consultants): No evidence of transfer of skills (EX. 139)</p>	<p>Lack of management oversight on the review of the contract terms to ensure that it is in line with the SCM guide.</p>	<p>The primary aim of the appointment of consultants is to supplement inadequacies of skills at municipality as the municipality was not performing well. The champion department will be actively involved in all the processes and ensure that there is skills transfer so that reliance on consultants can be reduced.</p> <ul style="list-style-type: none"> The consultant have to visit the municipality regularly; The consultant must submit progress reports; The consultant will be monitored based on a monthly basis We will ensure that the consultant conduct trainings and seminars; 	<p>Ongoing</p>	<p>Finance</p>		<p>In progress</p>

	<p>Procurement (consultants): No monitoring of consultants work and/or performance (EX. 140)</p>	<p>Lack of management oversight on the contract monitoring measures of the work of consultants.</p>	<p>Improved contract management: Capacity building within the champion department and SCM Department need to be initiated and enhanced. The performance of the appointed contractor will be monitored on a monthly basis as required by section 116 (2)(b) of the MFMA</p>	<p>Ongoing</p>	<p>Finance</p>	<p>In progress</p>
	<p>Procurement: Deviations not reported to the council meetings (EX. 161)</p>	<p>Lack of management oversight in compliance with the SCM policy.</p>	<p>We will ensure that compliance is enforce in accordance with section 36(b) of the SCM regulation</p>	<p>Monthly</p>	<p>Finance</p>	<p>In progress</p>
	<p>Procurement: Deviations from the procurement process not included in the financial statements (EX.68)</p>	<p>Management did not identify and record all deviations that occurred during the year in the deviation register.</p>	<p>Deviation register is developed and monitored every month to ensure compliance</p>	<p>Monthly</p>	<p>Finance</p>	<p>In progress</p>
	<p>Procurement: Listing criteria not specified for prospective providers (EX.75)</p>	<p>Lack of management oversight with regard to the requirements of the SCM policy.</p>	<p>The SCM policy will be amended to ensure that listing criteria is specified for prospective service providers</p>	<p>31-Mar-16</p>	<p>Finance</p>	<p>In progress</p>
	<p>General expenses: Payments vouchers not approved by a delegated official (EX.87)</p>	<p>Lack of oversight from management to ensure that payment vouchers and journals are duly authorised by delegated officials.</p>	<p>Management to develop and implement controls to ensure that payments are only made once there are authorisations by delegated officials.</p>	<p>Ongoing</p>	<p>Finance</p>	<p>In progress</p>

RECEIVABLES	Receivables: Weak internal controls over debtors (EX.14)	There is no monitoring controls in place to ensure that this is done accurately	<p>New and Current Debtors Customers notification of change of address forms are available for debtors. These forms were provided to the post office to insert in the boxes of all residents and also the Afriforum was requested to notify members of the community to provide the municipality with their current contact details. The contact details of the consumers will be updated on a monthly basis before the 15th of each month.</p> <p>Disconnections Customers provide the municipality with their current addresses on the disconnection form. On receipt of disconnection form the final reading are done immediately on the same date a manual final account is provided to the consumer. The new address will be updated immediately on the system.</p> <p>Notices have been sent out to customers to come and update the information.</p> <p>Challenge: Farms addresses not updated. To address End of the month to sit in a</p>	Ongoing	Finance	In progress
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			meeting with CFO, MM, Legal			In progress
	Receivables: Limitation of scope relating to indigent debtors (EX. 141)	Insufficient controls from management regarding filing of documentation and retrieval for audit purposes.	<p>Proper record keeping will be in place through the following.</p> <ul style="list-style-type: none"> -A manual register of indigent applications received will be kept applicants will complete their details in this register. The forms will be sent to relevant ward councillors for approval. Upon return of applications we will reconcile applications sent as per the manual register and what we received back from the ward councillors. A separate file containing approved and not approved indigent applications will be kept. - The approved indigents applications will be updated on the register of approved indigent. - A reconciliation between the indigent register, approved indigent applications and indigents as per accounting system will be performed on a monthly basis <p>To have the meeting to be arranged by Mr Tshiliso with councillors for next week Friday</p>	Ongoing	Finance	

	<p>Receivables: Differences in age analysis report and pastel (accounting system) (EX: 142)</p>	<p>The above mentioned resulted due to now reconciliation between the account balance's per age analysis report and the accounting system.</p>	<p>Consultants from Camelsa will be consulted for this matter as it was a result of an system error. Follow up will be done with CAMELSA Monday 07 March 2016.</p>	<p>30-Apr-16</p>	<p>Finance</p>	<p>In progress</p>
	<p>Receivables: Debtors raised in the name of the municipality (EX: 148)</p>	<p>Did not implement controls over daily and monthly processing and reconciling of transactions.</p>	<p>The social and community services department will be requested to indicate which properties are owned and utilised by municipality, owned and rented out externally and owned by consumers but not yet registered in their names. The municipal properties will also be exempt from being billed For properties owned by the municipality the monthly services charged will be send to the expenditure department for collection. Where a cheque will be written out and expenditure department will be allocated against the relevant departmental vote.</p>	<p>31-Mar-16</p>	<p>Finance</p>	<p>In progress</p>
	<p>Receivables: Supporting documentation for suspense account could not be obtained (EX: 176)</p>	<p>Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and</p>	<p>A file are kept with supporting documents for movement in suspense account. Suspense account to be cleared on a monthly basis.</p>	<p>Monthly</p>	<p>Finance</p>	<p>In progress</p>

		available to support financial and performance reporting.				In progress
	Receivables: Internal control deficiencies relating to Indigent Customers (EX.93)	Applications are approved without proper reviewing procedures from management.	<p>Proper record keeping will be in place through the following.</p> <p>-A manual register of indigent applications received will be kept applicants will complete their details in this register. The forms will be sent to relevant ward councillors for approval. Upon return of applications we will reconcile applications sent as per the manual register and what we received back from the ward councillors. A separate file containing approved and not approved indigent applications will be kept.</p> <p>- The approved indigents applications will be updated on the the register of approved indigent.</p> <p>- A reconciliation between the indigent register, approved indigent applications and indigents as per accounting system will be performed on a monthly basis</p>	Ongoing	Finance	