Annexure D - ICT due diligence - Summary

#	Business Process	Total Number of System / Applications minimum functionality required for B3	Number of System / Applications complied with	Number of System / Applications unavailable
1	Corporate Governance	46	17	29
2	Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	25	10	15
3	Financial Accounting	47	16	31
4	Costing and Reporting	2	0	2
5	Project Accounting	0	0	0
6	Treasury and Cash Management	14	5	9
7	Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	40	7	33
8	Grant Management	5	1	4
9	Full Asset Life Cycle Management including Maintenance Management	8	0	8
10	Real Estate and Resources Management	0	0	0
11	Human Resource and Payroll Management	35	23	12
12	Customer Care, Credit Control and Debt Collection	27	4	23
13	Valuation Roll Management	13	4	9
14	Land Use Building Control	10	0	10
15	Revenue Cycle Billing	83	57	26
	Total Score	**355**	**144**	**211**
	Percentage of Total (%)		**41%**	**59%**

Annexure D - ICT due diligence

Municipal Demarcation Code	WC034	Municipality Name:	Swellendam Municipality	SAMRAS Classic / Web integration Budget Module

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate <u>for each requirement below</u> ***(applicable to your category municipality*** **)** <u>one</u> of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Corporate Governance														
Governance is associated with ensuring greater economic and social responsibility within organisations to shareholders and stakeholders. Accountability, transparency and openness in reporting and disclosing information are imperative to the practice of good governance and are non-negotiable. Generally, corporate governance refers to the processes by which municipalities and municipal entities are directed, controlled, and held to account as guided by the Constitution, the Municipal Financial Management Act, 2003 (MFMA) and Municipal Systems Act, 2000 (MSA). The MFMA and MSA complement each other and deal with internal control, risk management, internal audit, and external audit, and financial risk management, compliance to legislation, performance system and reporting mechanisms to enhance accountability and progress. Municipalities' p olicies and procedures need to address these areas to accomplish good corporate governance.														
			A	B1	B2	B3	B4	C1	C2					
Corporate Governance	Internal Audit	Approved Internal Audit Plan in existence and Risk Management Strategy in Place	A	B1	B2	B3	B4	C1	C2	Ability to obtain base transactional information 'View Only' ability.	Best Practice	l1-Report writer	Not Applicable	1 - Comply
Corporate Governance	Internal Audit	Approved Internal Audit Plan in existence and Risk Management Strategy in Place	A	B1	B2	B3	B4	C1	C2	Issue audit findings and risk registers and invoke consequence management procedures.	Best Practice	k7-Risk management	Not Applicable	5 - Not Available
Corporate Governance	External Audit	Public Audit Act, 2004	A	B1	B2	B3	B4	C1	C2	Escalation and classification of matters influencing auditors opinion.	Best Practice	k7-Risk management	Not Applicable	1 - Comply
Corporate Governance	System Configurations	Access control of all systems and modules should as a minimum adhere to the following: Minimum Information Security Standards.	A	B1	B2	B3	B4	C1	C2	Must support complex user profiles, with segregation of duties, in order to limit user rights beyond the transaction, but to also include content sensitive measures such as organisational structure, payroll, cost centre, project, source of funding, other segmented transactions or other system objects needed to ensure confidentially of information and transactional integrity.	Legislation	Generic specification	Not Applicable	1 - Comply
Corporate Governance	System Configurations	Access control of all systems and modules should as a minimum adhere to the following: Minimum Information Security Standards.	A	B1	B2	B3	B4	C1	C2	Online approval and authorisation with electronic signature capabilities of transactions via integrated security systems and segregated functionality. This should be provided through application of appropriate security policies and internal service level agreements between various units.	Legislation	Generic specification	Not Applicable	5 - Not Available
Corporate Governance	System Configurations	Access control of all systems and modules should as a minimum adhere to the following: Minimum Information Security Standards.	A	B1	B2	B3	B4	C1	C2	Comprehensive on-line audit trail of all transactions at a transaction level must be available. This is in order to identify date, time and the user who initiated, approved or amended any transaction, including workflow. The administrator must be able to customise this for enhanced analysis and reporting.	Legislation	Generic specification	Not Applicable	5 - Not Available
Corporate Governance	System Configurations	Access control of all systems and modules should as a minimum adhere to the following: Minimum Information Security Standards.	A	B1	B2	B3	B4	C1	C2	Additionally the audit trail on all activities on the system, date, time and responsible user stamped. This must be done to the extent that an activity log can be drawn from the system, outlining a particular user's activities on the system for the entire workday.	Legislation	Generic specification	Not Applicable	1 - Comply
Corporate Governance	System Configurations	Period Control	A	B1	B2	B3	B4	C1	C2	Monthly period closure and certification within the statutory reporting dates. No back-dating of transactions is allowed.	mSCOA Regulation	Generic specification	Other Matters	1 - Comply
Corporate Governance	System Configurations	Period Control	A	B1	B2	B3	B4	C1	C2	Balancing of the sub-system with control accounts must be a condition of any period closure.	mSCOA Regulation	Generic specification	Other Matters	5 - Not Available
Corporate Governance	System Configurations	Period Control	A	B1	B2	B3	B4	C1	C2	Year-end closures period 12 as at 30 June (of the current year) result in a transactional transfer of opening balance to period one in the following year.	mSCOA Regulation	Generic specification	Other Matters	5 - Not Available
Corporate Governance	System Configurations	Period Control	A	B1	B2	B3	B4	C1	C2	Finalisation and submission of annual financial statements (AFS) period 13 results in *opening balance transactional transfer* of only the transactions of period 13.	mSCOA Regulation	Generic specification	Other Matters	5 - Not Available
Corporate Governance	System Configurations	Period Control	A	B1	B2	B3	B4	C1	C2	Audit periods with allowed audit approved journals occur in period 14 and result in *opening balance transactional transfer* of only the transactions of period 14.	mSCOA Regulation	Generic specification	Other Matters	5 - Not Available
Corporate Governance	System Configurations	Period Control	A	B1	B2	B3	B4	C1	C2	Accommodate a period 15 for prior period errors (GRAP 3).	mSCOA Regulation	Generic specification	Other Matters	1 - Comply
Corporate Governance	System Configurations	Period Control	A	B1	B2	B3	B4	C1	C2	Any corrections of prior period error(s) result in opening balance transactions in the subsequent years.	mSCOA Regulation	Generic specification	Other Matters	5 - Not Available
Corporate Governance	System Configurations	Period Control	A	B1	B2	B3	B4	C1	C2	Period closing, finalisation and audit period corrections are *opening balance transactions* in the <u>current open period</u> as well as normal transactions in the <u>audit periods</u>.	mSCOA Regulation	Generic specification	Other Matters	5 - Not Available
Corporate Governance	System Configurations	Integration	A	B1	B2	B3	B4	C1	C2	Sub-system(s) or ledgers must, without (manual) intervention or manipulation, integrate and constantly balance with the core financial system.	mSCOA Regulation	Generic specification	Other Matters	5 - Not Available
Corporate Governance	System Configurations	Integration	A	B1	B2	B3	B4	C1	C2	Enable drill down from the general ledger (GL) to sub-system source transactions to transactional level.	mSCOA Regulation	Generic specification	Other Matters	5 - Not Available
Corporate Governance	System Configurations	Integration	A	B1	B2	B3	B4	C1	C2	Integration and automation of the annual financial statements (AFS) as well as monthly MFMA section 71 reports (financial management statements).	mSCOA Regulation	l1-Report writer	Transactional	5 - Not Available
Corporate Governance	System Configurations	Help function user manual	A	B1	B2	B3	B4	C1	C2	The System must include an online procedural manual facility that allows for the recording and updating of all relevant processes to aid the users of the system.	Best Practice	Generic specification	Not Applicable	5 - Not Available
Corporate Governance	System Configurations	Help function user manual	A	B1	B2	B3	B4	C1	C2	The manual must be context specific and accessible from any input screen in the system.	Best Practice	Generic specification	Not Applicable	5 - Not Available
Corporate Governance	System Configurations	Help function user manual	A	B1	B2	B3	B4	C1	C2	Functionality is required to permit a duly authorised user to maintain the user manual.	Optional	Generic specification	Not Applicable	5 - Not Available
Corporate Governance	System Configurations	Document and transaction control	A	B1	B2	B3	B4	C1	C2	The solution must include the online recording of all transactions with a unique transactional identifier and a date/ time stamp format which records transactions in all systems.	Best Practice	Generic specification	Not Applicable	1 - Comply
Corporate Governance	System Configurations	Document and transaction control	A	B1	B2	B3	B4	C1	C2	It is important to note that no records are physically deleted. Deleting a record in the context of the Solution means to 'flagging as deleted', the record so that it is no longer visible or active and does not present 'clutter' to normal users.	Best Practice	Generic specification	Not Applicable	1 - Comply
Corporate Governance	System Configurations	Training and Skills transfer	A	B1	B2	B3	B4	C1	C2	End User Training which includes both theoretical as well as practical training.	Best Practice	Generic specification	Not Applicable	1 - Comply
Corporate Governance	System Configurations	Training and Skills transfer	A	B1	B2	B3	B4	C1	C2	Complete Solution Hand Over to Municipal Project Team including full documentation.	Best Practice	Generic specification	Not Applicable	1 - Comply
Corporate Governance	System Configurations	Training and Skills transfer	A	B1	B2	B3	B4	C1	C2	Deployment of an IT strategy for maintenance and future developments.	Best Practice	Generic specification	Not Applicable	5 - Not Available
Corporate Governance	System Configurations	Back up and data recovery	A	B1	B2	B3	B4	C1	C2	Data back up procedures must be continuous and roll back. Recovery should be at the maximum extent possible and not cause system down time "RAID configuration".	Best Practice	k7-Risk management	Not Applicable	1 - Comply
Corporate Governance	System Configurations	Back up and data recovery	A	B1	B2	B3	B4	C1	C2	Disaster recovery sites are either off site at the municipality or cloud based solutions that are to be tested regularly.	Best Practice	k7-Risk management	Not Applicable	5 - Not Available
Corporate Governance	System Configurations	Back up and data recovery	A	B1	B2	B3	B4	C1	C2	Daily, weekly, monthly and yearly backups must be documented and signed-off.	Best Practice	k7-Risk management	Not Applicable	1 - Comply
Corporate Governance	Performance Management System	Performance Management System that gives effect to chapter 6 of the Municipal Systems Act, 2000								***The performance management system must therefore include the following components:***				
Corporate Governance	Performance Management System	Performance Management System that gives effect to chapter 6 of the Municipal Systems Act, 2000								***The performance management system should as a minimum produce the following documents:***				
Corporate Governance	Municipal Web Site	A municipal website that gives effect to MFMA section 75, the Municipal Budget and Reporting Regulations, 2009; the mSCOA Regulations, 2014 and section 21A of the Municipal Systems Act, 2000	A	B1	B2	B3	B4	C1	C2	The legislative framework lists the minimum information that should be placed on the municipality's website: Integrate from the core financial budget module; The annual and adjustments budgets and all budget-related documents; All budget-related policies; Annual financial statements (AFS) and Annual reporting tools BI modules; The annual report; Performance management, supply chain and asset management modules; section 57(1)of the Municipal Systems Act, 2000; All quarterly reports tabled in the council in terms of MFMA section 52(d).	Legislation	k6-Website Maintenance	Not Applicable	5 - Not Available

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate <u>for each requirement below</u> *(applicable to your category municipality*) <u>one</u> of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Corporate Governance	Municipal Web Site	A municipal website that gives effect to MFMA section 75, the Municipal Budget and Reporting Regulations, 2009; the mSCOA Regulations, 2014 and section 21A of the Municipal Systems Act, 2000	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	***All performance agreements required in terms of :*** All service delivery agreements; All long-term borrowing contracts; All supply chain management contracts above a prescribed value; An information statement containing a list of assets over a prescribed value that have been disposed of in terms of MFMA section 14(2) or (4) during the previous quarter; Contracts to which MFMA section 33(1) apply, subject to section 33(3) of that section; Public-private partnership agreements envisaged in MFMA section 120; and Municipal Budget and Reporting Regulations (MBRR) and mSCOA Regulations reporting templates as generated by the Core Financial system.	Legislation	k6-Website Maintenance	Not Applicable	5 - Not Available
Corporate Governance	Municipal Web Site	A municipal website that gives effect to MFMA section 75, the Municipal Budget and Reporting Regulations, 2009; the mSCOA Regulations, 2014 and section 21A of the Municipal Systems Act, 2000	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	***Billing module in addition to integrate:*** The A&B valuation roll publication as required by the Municipal Property rates Act, 2004; and The customer portal; and should as a minimum (if not hosted on the municipality's web site) be accessible or redirected from the website of the municipality.	Legislation	k6-Website Maintenance	Not Applicable	5 - Not Available
Corporate Governance	Reporting mechanisms	Business intelligence reporting solutions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	The report writer should have a user configurable application utility like Sequel server reporting server (SSRS). This must include sample reports configured as well as standard reports. This will allow for consistency in reporting and best of client base reports that can be shared in the whole-of-municipal environments;	Optional	l1-Report writer	Not Applicable	1 - Comply
Corporate Governance	Reporting mechanisms	Business intelligence reporting solutions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Alternatively an effective, flexible report-writing facility with access to the database dictionary is required;	mSCOA Regulation	l1-Report writer	Transactional	1 - Comply
Corporate Governance	Reporting mechanisms	Business intelligence reporting solutions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Ensure that mSCOA segmented reports can be produced on any level of the mSCOA chart with any combination of segments;	mSCOA Regulation	l1-Report writer	Transactional	1 - Comply
Corporate Governance	Reporting mechanisms	Business intelligence reporting solutions								***In addition, there should be a management dashboard that displays at the Municipal Manager's (accounting officer) and senior managers' offices, the key performance areas information in a continues real time update. This should as a minimum:***				
Corporate Governance	Reporting mechanisms	Business intelligence reporting solutions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Allow for the export of data via reports in commonly used file formats which is normally associated with spread sheet and other data base applications.	mSCOA Regulation	l1-Report writer	Transactional	1 - Comply
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Statutory submission to the National Treasury local government Database (LG Database);	mSCOA Regulation	l2-Statutory reporting	Transactional	1 - Comply
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions								***mSCOA data extraction and upload to portal submissions with a dashboard configuration to allow the Municipal Manager (accounting officer) to verify the mSCOA data extracts before submitting them:***				
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	The annual procurement plan - actual versus budget;	mSCOA Regulation	l2-Statutory reporting	Derived from Attributes	5 - Not Available
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	The asset maintenance plan - actual versus budget;	mSCOA Regulation	l2-Statutory reporting	Derived from Attributes	5 - Not Available
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Annual Financial Statements (AFS);	mSCOA Regulation	l2-Statutory reporting	Derived from Attributes	5 - Not Available
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Annual report;	mSCOA Regulation	l2-Statutory reporting	Derived from Attributes	5 - Not Available
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	National Energy Regulator SA (Nersa) and Department of Water Affairs and Sanitation (DWS) reports;	mSCOA Regulation	l2-Statutory reporting	Derived from Attributes	5 - Not Available
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	VAT returns 201 reconciliations;	Legislation	l2-Statutory reporting	Not Applicable	5 - Not Available
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	PAYE and 501 reconciliations;	Legislation	l2-Statutory reporting	Not Applicable	5 - Not Available
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	IRP 5; and	Legislation	l2-Statutory reporting	Not Applicable	5 - Not Available
Corporate Governance	Reporting mechanisms	National Treasury Portal and other statutory submissions	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Unemployment Insurance Fund (UIF) forms.	Legislation	l2-Statutory reporting	Not Applicable	5 - Not Available

Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)

Municipal budgeting and planning business processes are primarily derived from two sets of legislation, namely the Municipal Systems Act, 2000 (MSA) and the Municipal Finance Management Act, 2003 (MFMA).
The MSA provides for the setting of the strategic objective whilst the MFMA and Municipal Budget and Reporting Regulations, 2009 (MBRR) provide for the output associated with this business process.
This needs to incorporate key processes and procedures such as strategy formulation, integrated development planning (IDP), prioritisation, revenue generation, resource allocation,
as well as long term forecasting and modelling of key financial dimensions such as the statement of financial position, cash flow forecasting, funding compliance, asset management and basic service delivery.

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Must have budgeting capabilities in that the budget are informed from the integrated development plan (IDP) and budget capturing occur across all the mSCOA segments as per the mSCOA Regulations, 2014.	mSCOA Regulation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Transactional	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	System must support budgeting cycles across the medium term revenue and expenditure framework (MTREF) (3-year budget) of the municipality.	mSCOA Regulation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Transactional	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	The system should be able to link budgeting to final integrated development plan (IDP) priorities.	mSCOA Regulation	b1-Integrated development plan (IDP) maintenance	Transactional	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Budgeting on the factual elements of typical work streams.	mSCOA Regulation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Transactional	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Budgeting on the factual elements of municipal operational and running cost.	mSCOA Regulation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Transactional	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Enable users with budget and management information to determine funding adequacy of the budget to ensure the budget is funded. (Municipal Budget and Reporting Regulations, 2009 (MBRR)).	Legislation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Incorporation of the sub module's elements.	Optional	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Tracking of the budget process plan and timetable.	Optional	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Automated workflow for departments' submissions as per budget guideline documents.	Optional	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate <u>for each requirement below</u> *(applicable to your category municipality*) <u>one</u> of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Comparison capabilities for department budget submissions, scenario's & recommendations.	Optional	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Planning of secondary costing i.e.. Departmental charges, internal recoveries and activity based charges.	mSCOA Regulation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Transactional	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	The system should be able to link Expenditure and Revenue to All segments of mSCOA.	mSCOA Regulation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Transactional	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Track, compare and report on budget versus actual amounts for year 1 of the medium term revenue and expenditure framework (MTREF) as per mSCOA Regulation requirement.	mSCOA Regulation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Transactional	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Enable what-if inter-operability and modelling between the municipality's main budget module and the sub-budget modules.	Optional	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:								***Ensure that the policies referred to in MFMA section 17 and the Municipal Budget and Reporting Regulation 7 are, via formal work flow, reviewed by the relevant municipality departments/ sections. Any amendments must be incorporated into the budget submission. These reviews, as a minimum, must include:***				
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	The statutory budget submission to the National Treasury local government Database (LG Database);	Legislation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Data extraction from the mandatory six (6) segments on the mSCOA classification framework and upload to the National Treasury local government Database (LG Database) portal.	mSCOA Regulation	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Transactional	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Allow the municipality to budget for its full organogram (organisational structure).	mSCOA Regulation	b7-HR/Payroll Budgeting tool	Derived from Attributes	1 - Comply
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Incorporate the ability to apply costing allocation to projects and percentage (%) based allocation of administration costs to trading service departments (if not allocated) using direct calculation methods.	mSCOA Regulation	b7-HR/Payroll Budgeting tool	Derived from Attributes	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Provision to calculate new notch values within grades either as a percentage increase or by minimum value. These notch values are to be held on a temporary file and the user must be able to perform Various "what if" scenarios without affecting the live data.	Best Practice	b7-HR/Payroll Budgeting tool	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Ensure that the planned positions is budgeted for pro-rata to when the expected appointment can be done.	mSCOA Regulation	b7-HR/Payroll Budgeting tool	Derived from Attributes	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Utilising historical trends, calculate the likely provision for leave and bonus provisions. This function should also be able to anticipate (if applicable) any long service allocations.	Best Practice	b7-HR/Payroll Budgeting tool	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Supply the general ledger's main budget module with counts of the actual and planned positions (organogram) budgets for the full mSCOA segments as a budget line. The functionality should be able to provide this for both expenditure and balance sheet items.	mSCOA Regulation	b7-HR/Payroll Budgeting tool	Other Matters	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Budget Management	Budget Management and Monitoring	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Allow the public to provide comments on the budget electronically via the municipality's website. These comments together with the comments received from public sessions to be populated/consolidated onto a tool that can be accessed by the public and councillors.	Best Practice	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Budget Management	Budget Management and Monitoring	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Automate the virement process as per the virement policy.	Best Practice	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available
Municipal Budgeting, Planning and Financial Modelling: (IDP driven, project based main budget module that adhere to MFMA section 53 that as a minimum)	Budget Management	Budget Management and Monitoring	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Provide the annual procurement plan.	Best Practice	b2-Budget module – Directly linked and informed from the IDP and Project driven and mSCOA segmented	Not Applicable	5 - Not Available

Financial Accounting

Financial accounting incorporates a host of policies, processes and procedures in order to operationalise the effective and efficient recording and accounting of daily financial transactions as well as month and year end closure procedures and transactions. The MFMA provides a platform for the prescription of norms and standards such as the Standards of Generally Recognised Accounting Practices (GRAP) which have been designed and formulated based on unique South African circumstances (such as the VAT requirements which must be accommodated by the financial system) and leading international practices. Municipalities and municipal entities are therefore required to operationalise daily business processes and procedures that incorporate at the very least regular reconciliations, correct and accurate allocation and classification of transactions based on the SCOA classification framework. These processes and procedures must give rise to monthly performance represented by among others, the Statement of Financial Performance, Capital and Grant Performance, Statement of Financial Position, movement in net assets and cash flow in the Section 71 in-year reporting formats. It is important to keep in mind that outputs needs to be reported and must at all times be measurable so that progressive achievements can benefit communities. Processes should be focussed at clean and accountable operations and the outcome must be reported in terms of by all roll players.

Financial Accounting	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Contains all the accounts for recording transactions relating to municipalities assets, liabilities and net assets as per mSCOA segments.	mSCOA Regulation	a1-General Ledger - containing mSCOA as per mSCOA Regulation	Transactional	1 - Comply

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate <u>for each requirement below</u> ***(applicable to your category municipality*** **)** <u>one</u> of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Financial Accounting	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Is a central repository for accounting data transferred from all sub-ledgers e.g. supply chain, revenue, cash management, fixed assets, purchasing, debt control, billing, prepaid, and projects etc.	mSCOA Regulation	a1-General Ledger - containing mSCOA as per mSCOA Regulation	Transactional	1 - Comply
Financial Accounting	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Reflect transactions posted in the sub-ledgers immediately in the main ledger thereby ensuring the financial integrity of the entire system without the need for manual reconciliations between main and sub-ledgers.	mSCOA Regulation	a1-General Ledger - containing mSCOA as per mSCOA Regulation	Transactional	1 - Comply
Financial Accounting	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Non withstanding the above and due to probable packet loss a routine, is required to ensure that the general ledger and sub-ledger is in balance. This must be done by enforcing daily closing routines with subsequent blocking of opening routines if out of balance occurrence with control accounts is observed.	mSCOA Regulation	a1-General Ledger - containing mSCOA as per mSCOA Regulation	Transactional	5 - Not Available
Financial Accounting	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems for an audit trail.	mSCOA Regulation	a1-General Ledger - containing mSCOA as per mSCOA Regulation	Derived from Attributes	5 - Not Available
Financial Accounting	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Journal capturing capabilities (including reversible and recurring journals) including electronic approval.	mSCOA Regulation	a1-General Ledger - containing mSCOA as per mSCOA Regulation	Transactional	5 - Not Available
Financial Accounting	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Reporting functionality for all financial reports in the full mSCOA segmented transactions .	mSCOA Regulation	a1-General Ledger - containing mSCOA as per mSCOA Regulation	Transactional	1 - Comply
Financial Accounting	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation								Provide a debtor master record containing at least but not limited to:				
Financial Accounting	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation	**A**	**B1**	**B2**	**B3**	**B4**		**C2**	Debtor classes and discount categories to ensure correct billing and rebates;	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Financial Accounting	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation	**A**	**B1**	**B2**	**B3**	**B4**		**C2**	Trade, sundry and other debtor types to comply with mSCOA requirements;	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Financial Accounting	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation	**A**	**B1**	**B2**	**B3**	**B4**		**C2**	Debtor levies in mSCOA segmentation to the Accounts Receivable;	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Financial Accounting	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation	**A**	**B1**	**B2**	**B3**	**B4**		**C2**	Receipt allocation to AR in the correct mSCOA segmentation;	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Financial Accounting	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation	**A**	**B1**	**B2**	**B3**	**B4**		**C2**	Daily balancing between sub-system and AR; and	Best Practice	h1-Billing core	Not Applicable	1 - Comply
Financial Accounting	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation	**A**	**B1**	**B2**	**B3**	**B4**		**C2**	Month-end and year-end procedures to ensure correct disclosure of cash on hand and age analysis.	Legislation	h1-Billing core	Not Applicable	1 - Comply
Financial Accounting	Accounts Receivable	Transactions in debtors must reflect in the AR in mSCOA segmentation	**A**	**B1**	**B2**	**B3**	**B4**		**C2**	Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems.	mSCOA Regulation	h1-Billing core	Derived from Attributes	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Abattoir system.	Optional	h9-Abbatior system	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Cemeteries system.	Optional	h10-Cemeteries system	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Fire and emergency services systems.	Optional	h12-Fire and emergency services systems	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Fresh produce market systems.	Optional	h13-Fresh produce market systems	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Library system.	Optional	h15-Library system	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Nurseries systems.	Optional	h16-Nursaries systems	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Pound system.	Optional	h17-Pound system	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Traffic fines systems.	Optional	h19-Traffic fines systems	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Transport services systems.	Optional	h20-Transport services systems	Not Applicable	5 - Not Available
Financial Accounting	Accounts Receivable	Integration of sundry systems	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Weigh bridge system.	Optional	h21-Weigh bridge system	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Supplier maintenance	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Creating a supplier database.	Legislation	c1-Supply Chain management	Not Applicable	1 - Comply
Financial Accounting	Accounts Payable	Supplier maintenance	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Post supplier invoices, credit- and debit notes. Select documents to pay with payment dates.	Legislation	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Supplier maintenance	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Make payments and part payments. Allow for future and scheduled payments.	Legislation	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Supplier maintenance	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Align suppliers with debtors and HR modules.	Best Practice	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)								AP must include, at a bare minimum but not limited to:				
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Goods received notes for full or partial deliveries aligned to authorised issued purchase orders. Goods return notes with debit and credit orders;	Legislation	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Invoicing for goods received notes as partial or multiples invoice payments. Settlement discounts as allowed by suppliers;	Legislation	d1-Creditors with payments	Not Applicable	1 - Comply
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Selection of invoice payments on varied platforms. Bulk payment of invoices including direct linking to the banking sector. Producing of electronic remittance statements with automated distribution;	Legislation	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Direct invoice payment such as Eskom;	Legislation	d1-Creditors with payments	Not Applicable	1 - Comply
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Sundry payments generated from payroll, billing or manual S&T transactions;	Legislation	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Re-occurring and scheduled payment such as lease amounts or quarterly loan repayments;	Legislation	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Retention register with auto mated update, pay-out and balancing;	Best Practice	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	A cession register linked to the PMU with automated allocations;	Best Practice	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Age analysis of creditors with supporting reports;	Legislation	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Must be able to calculate accounts payable VAT reconciliations (including calculations on returns and discounts);	Legislation	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	The option to scan and store invoices and other documents on the supplier;	Optional	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Accounts Payable (AP)	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	A web portal for suppliers to enquire on payment status and uploading/submitting of invoices.	Optional	d1-Creditors with payments	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Cash Management	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Automated receipting of bank deposits received.	Best Practice	g1-Cashbook	Not Applicable	1 - Comply
Financial Accounting	Accounts Payable	Cash Management	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Automated passing of journals for interest and other bank charges.	Best Practice	g1-Cashbook	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Cash Management	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Electronic payment of creditors and salaries.	Best Practice	g1-Cashbook	Not Applicable	1 - Comply
Financial Accounting	Accounts Payable	Tax & VAT	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Fully integrated and approved VAT handling capabilities incorporating all statutory required documentation.	Legislation	Generic specification	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Tax & VAT	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Interface to SARS eFiling for automated reconciliations and submissions of disclosures.	Legislation	Generic specification	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Fixed Asset Management	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Trace all financial asset transactions to the asset level.	Legislation	f1-Financial asset maintenance	Not Applicable	5 - Not Available
Financial Accounting	Accounts Payable	Fixed Asset Management	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	Ensure that all asset transactions are aligned with mSCOA Regulations.	mSCOA Regulation	f1-Financial asset maintenance	Derived from Attributes	1 - Comply
Costing and Reporting														
Costing or management accounting is concerned with financial and management information internal to the municipality and municipal entity which provides the basis for sound and informed business decision making. In contrast to financial accounting, management accounting is primarily forward looking instead of historically focused and informs planning and budget processes by applying forecasting and prediction models. Determining the full cost of tariff services including primary and secondary costing to inform tariffs and pricing of services in order to achieve cost reflective tariffs, reporting thereon and measuring performance of services based on financial and non-financial information.														
Costing and Reporting	Cost Planning	Incorporate a costing module	**A**	**B1**	**B2**	**B3**	**B4**	**C1**	**C2**	A full costing module aligned to the mSCOA costing segment to assist in calculation of tariffs and real costs. Charges must have a direct effect on tariffs. Therefore it will be necessary to ensure direct link to Provisioning and payroll modules exist etc. through the application of internal billing departmental charges or activity based recoveries.	mSCOA Regulation	e1-Costing module	Transactional	5 - Not Available

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate for each requirement below *(applicable to your category municipality)* one of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Costing and Reporting	Cost Planning	Incorporate a costing module	A	B1	B2	B3	B4	C1	C2	Management reporting on all charges should be available for reports as well as dashboard information.	mSCOA Regulation	e1-Costing module	Other Matters	5 - Not Available

Project Accounting

Project Accounting refers to the capability to account for individual project costs and ensure that these settle as assets under construction (AUC's) where applicable. The project accounting functionality should be extendable to provide project management capabilities in order to track physical project progress against predetermined milestones in addition to tracking the financial performance of the project or portfolio of projects.

Treasury and Cash Management

Treasury and cash management refers to investing, financing activities and operational cash management. The following processes must be considered relevant to this cycle –

(a) Investing activities comprises the acquisition, disposal and management of tangible assets, including land, buildings, plant and machinery, motor vehicles, furniture and equipment, computer hardware, software and communication networks. Also included are acquisition, disposal and management of intangible assets such as research and development expenditure, patents and trademarks, scientific and technical know-how, intellectual property rights such as copyrights and licences. Municipalities and municipal entities must introduce accounting policies for depreciation, impairment, revaluation, asset retirement, etc.;

(b) Financing activities are the means by which the municipality or municipal entity obtains its funding. This may be in the form of funds obtained from borrowing (external loans) or transfers and subsidies to the municipality or municipal entity. Financing activities also include finance and operating leases entered into by the municipality or municipal entity. Included are related transactions such as security and guarantees granted to a lender, accounts receivables pledged to a discount house, interest charges, finance charges on leases, foreign exchange gains and losses, hedging gains and losses and commitments for capital expenditure;

(c) Investment may take the form of fixed interest, long-term or short-term debt, investments or loans; secured or un-secured. Procedures must be implemented to control the purchase and sale of investments, the movement of scrip or recording of dematerialised securities and the resulting cash received and paid including income from investments, and

(d) Cash and bank refers to transactions occurring daily in all municipalities and municipal entities represented by a high volume of transactions in payments and receipts. Procedures must provide for expenses and reimbursements of "suspense accounts and floats" including regular surprise counts; cash handling procedures for unbanked receipts and money in transit; control over the opening of bank accounts and obtaining access to electronic banking signatures, regular reconciliations of bank accounts and timely follow-up of reconciling items by management.

Treasury and Cash Management	Cash Management	Bank Reconciliation								***A fully integrated and automated cashbook module that links to the banking sector and allows for at least:***				
Treasury and Cash Management	Cash Management	Bank Reconciliation	A	B1	B2	B3	B4	C1	C2	Allow for multiple bank accounts and sweeping between accounts;	Best Practice	g1-Cashbook	Not Applicable	5 - Not Available
Treasury and Cash Management	Cash Management	Bank Reconciliation	A	B1	B2	B3	B4	C1	C2	Automated receipting of debtor payments and other monies received;	mSCOA Regulation	g1-Cashbook	Derived from Attributes	1 - Comply
Treasury and Cash Management	Cash Management	Bank Reconciliation	A	B1	B2	B3	B4	C1	C2	Automated passing of journals for interest and other bank charges;	mSCOA Regulation	g1-Cashbook	Transactional	5 - Not Available
Treasury and Cash Management	Cash Management	Bank Reconciliation	A	B1	B2	B3	B4	C1	C2	Automated clearing of system generated transactions such as payments; and	mSCOA Regulation	g1-Cashbook	Transactional	1 - Comply
Treasury and Cash Management	Cash Management	Bank Reconciliation	A	B1	B2	B3	B4	C1	C2	Automated clearing of cash received in the general ledger (GL) to the bank account;	mSCOA Regulation	g1-Cashbook	Transactional	1 - Comply
Treasury and Cash Management	Cash Management	Bank Reconciliation	A	B1	B2	B3	B4	C1	C2	Automated reconciliation of bank statements to the ledger and supplying supporting documentation for management.	Best Practice	g1-Cashbook	Not Applicable	5 - Not Available
Treasury and Cash Management	Cash Management	Bank Reconciliation	A	B1	B2	B3	B4	C1	C2	Forecasting of cash must be available on a dashboard.	Best Practice	g1-Cashbook	Not Applicable	5 - Not Available
Treasury and Cash Management	Cash Management	Bank Reconciliation	A	B1	B2	B3	B4	C1	C2	Support mSCOA segmentation in the cashbook module.	mSCOA Regulation	g1-Cashbook	Transactional	1 - Comply
Treasury and Cash Management	Cash Management	Petty cash	A	B1	B2	B3	B4	C1	C2	A petty cash module that would allow for accounting for petty cash transactions and subsequent budget allocations and control as per mSCOA.	mSCOA Regulation	g2-Petty cash system	Transactional	5 - Not Available
Treasury and Cash Management	Cash Management	Petty cash	A	B1	B2	B3	B4	C1	C2	Internal cash receipt with drawdown of petty cash.	mSCOA Regulation	g2-Petty cash system	Transactional	5 - Not Available
Treasury and Cash Management	Cash Management	Petty cash	A	B1	B2	B3	B4	C1	C2	Automated payment requests with user authorisation and access control.	Best Practice	g2-Petty cash system	Not Applicable	5 - Not Available
Treasury and Cash Management	Cash Management	***Ad hoc:*** The Cash Management System must at least accommodate, but not be limited to:	A	B1	B2	B3	B4	C1	C2	Interest Received and interest expense reconciliation.	mSCOA Regulation	Generic specification	Transactional	5 - Not Available
Treasury and Cash Management	Cash Management	***Ad hoc:*** The Cash Management System must at least accommodate, but not be limited to:	A	B1	B2	B3	B4	C1	C2	Cash Flow Management which includes forecasting and analysis and full integration with the budget and financial accounting modules.	Optional	Generic specification	Not Applicable	5 - Not Available
Treasury and Cash Management	Cash Management	***Ad hoc:*** The Cash Management System must at least accommodate, but not be limited to:	A	B1	B2	B3	B4	C1	C2	Funds management and budget availability control.	Best Practice	Generic specification	Not Applicable	1 - Comply

Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable

Supply Chain Management, Expenditure Management and Accounts Payable (Creditors) needs to incorporate as a minimum the following –

(a) Supply chain management is the management of a network of interconnected business processes involved in the provision of goods and services required by the municipality. It integrates the management of supply, demand, acquisition, logistics and disposal by implementing a supply chain management policy in compliance with the MFMA and Municipal Supply Chain Management Regulations in a fair, equitable, transparent, competitive and cost effective way;

(b) Expenditure management follows the SCM processes that should ensure an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds. These expenditures should be monitored against the approved budget, and reasons for variances must be explained and corrective action must be implemented to keep expenditure in line with budget estimates;

(c) Accounts payable results from any monies owed in respect of goods and services purchased and must be settled within thirty days of date of invoice or statement unless it is prescribed otherwise. The payment of creditors or accounts payable must be reconciled monthly according to the statements received from service providers;

(d) Material and inventory management deals with the maintenance of inventory catalogues classified according to the high-level categories provided for in the Standard Chart of Accounts. Business processes need to incorporate at a minimum, ordering; issuing and management of inventory levels; preferred suppliers linked to inventory categories; flagging of stock levels with limited movements for substantial periods; regular physical counts and reconciliation to system stock records; exception reporting and enhanced controls on stock items susceptible to misuse such as illegal stock-pilling; and all sub stores to be activated on the system;

(e) Contract management entails the management of contracts through the entire Contract Life Cycle so as to maximise value for money that includes procedures for planning; contract creation; collaboration; execution; administration; and close-out. Contracts should be listed in a contract register embedded into the financial application that automates all the activities necessary to manage the contract as informed and dependant on the nature of the work, the type of contract, the legal aspects and delivery timeframes. It also entails the activities carried out to determine whether the service provider and the municipality are performing adequately to meet the requirements in listed contracts that had been awarded through the procurement process and the prescriptions in the MFMA; and

(f) Vendor management entails managing a supplier database in support of various strategic procurement objectives.

Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy								***The supply chain module should as a minimum have the following functionality:***				
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Allow for requisition from the annual procurement plan;	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Align requisition to be project based;	mSCOA Regulation	c1-Supply Chain management	Transactional	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Supplier rotation management (parameter driven);	Legislation	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Supply Chain Deviation Management Facility in terms of legislation;	Legislation	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Adhere to the municipality's delegation of duties and authority levels;	Legislation	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Electronically validate against the National Treasury database for prohibited, employees of state and related parties and invite tenders based preferential procurement principals;	Legislation	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Electronically manage the invitation, bid closure and adjudication process with a full document management server unpinning the cycle;	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Record and electronically store the bid adjudication committee's meeting minutes and store the minutes on the document management server;	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Ensure the service level agreement (SLA) and allocation letters are electronically archived prior to any payment being made;	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate <u>for each requirement below</u> ***(applicable to your category municipality*** **)** <u>one</u> of the following: **1. "Comply – Demo is available";** **2. "Third Party Integration – Demo is available";** **3. "Proof of Concept is available – Implemented by 30 June 2017";** **4. "Future Development – Proof of Concept by December 2016"; or** **5. "Not available"**
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Enforce where applicable retention enforcement and manage retention registers;	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Ensure tax clearance management for the duration of the contract;	Legislation	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Integrate with the asset management system;	Legislation	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Ensure that all payments are made within 30 days of receipt of an invoice therefore; and	Legislation	c1-Supply Chain management	Not Applicable	1 - Comply
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	A Supply chain management system that give effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy	A	B1	B2	B3	B4	C1	C2	Ensure that full accrual is done at month-end and year-end cut-off periods.	Legislation	c1-Supply Chain management	Not Applicable	1 - Comply
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Contract Management that gives effect to MFMA section 116.	A	B1	B2	B3	B4	C1	C2	Contract management through workflow and audit trail.	Legislation	c4-Contract management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Requisitions	A	B1	B2	B3	B4	C1	C2	Different requisition origination such as online, manual, stores and other modules.	Best Practice	c4-Contract management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Requisitions	A	B1	B2	B3	B4	C1	C2	Project based requisition forms.	mSCOA Regulation	c4-Contract management	Transactional	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Requisitions	A	B1	B2	B3	B4	C1	C2	mSCOA segmented capturing.	mSCOA Regulation	c4-Contract management	Transactional	1 - Comply
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Requisitions	A	B1	B2	B3	B4	C1	C2	Ability to attach documents to online requisitions such as drawings or specifications.	Best Practice	c4-Contract management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Requisitions	A	B1	B2	B3	B4	C1	C2	Must support full work flow and electronic signatures.	Best Practice	c4-Contract management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Supplier Evaluation	A	B1	B2	B3	B4	C1	C2	Evaluate supplier performance in accordance with contract deliverables.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Supplier Evaluation	A	B1	B2	B3	B4	C1	C2	Update incentives and penalties to supplier database.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Supplier Evaluation	A	B1	B2	B3	B4	C1	C2	Automate notification alerting relevant system users when a supplier's BEE certificate and tax certification reach expiry dates.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Request for quote, quotations and Request for proposals	A	B1	B2	B3	B4	C1	C2	Maintain a Request for quote, quotations and proposals database linked to suppliers.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Request for quote, quotations and Request for proposals	A	B1	B2	B3	B4	C1	C2	Automated notification of price differences outside of approved variance.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Request for quote, quotations and Request for proposals	A	B1	B2	B3	B4	C1	C2	Automated evaluating of quotations with parameters.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Request for quote, quotations and Request for proposals	A	B1	B2	B3	B4	C1	C2	Comparative tables for allocation of bids.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Request for quote, quotations and Request for proposals	A	B1	B2	B3	B4	C1	C2	Automated notification and ordering system.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Request for quote, quotations and Request for proposals	A	B1	B2	B3	B4	C1	C2	Workflow and document management in quotation process.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Purchase Order Processing(PO)	A	B1	B2	B3	B4	C1	C2	Allow for automated purchase orders from approved requisitions.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Purchase Order Processing(PO)	A	B1	B2	B3	B4	C1	C2	Electronic authorising and signing of purchase orders (PO's) through workflow process.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Purchase Order Processing(PO)	A	B1	B2	B3	B4	C1	C2	Automated sending of purchase orders (PO's) to supplier through email and/or fax.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Purchase Order Processing(PO)	A	B1	B2	B3	B4	C1	C2	Processing of partial order deliveries with automated reminders of outstanding items.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate <u>for each requirement below</u> *(applicable to your category municipality*) <u>one</u> of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Purchase Order Processing(PO)	A	B1	B2	B3	B4	C1	C2	Automated transfers of outstanding orders to future periods with budget controls.	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Supply Chain Management (SCM)	Purchase Order Processing(PO)	A	B1	B2	B3	B4	C1	C2	Align purchase order (PO) deliverables to the annual service delivery- and budget implementation plan (SDBIP).	Best Practice	c1-Supply Chain management	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Inventory	Inventory / Stores sub system	A	B1	B2	B3	B4	C1	C2	All consumable items in terms of the classification framework is purchased via an inventory principal. This include direct purchases like pens, stationary, etc.	mSCOA Regulation	f4-Stores and inventory (At minimum virtual)	Transactional	1 - Comply
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Inventory	Inventory / Stores sub system	A	B1	B2	B3	B4	C1	C2	In terms of the above, all systems should cater for a stores module be it virtual or actual that will allow management to control the consumable items in an effective and controlled manner.	mSCOA Regulation	f4-Stores and inventory (At minimum virtual)	Transactional	1 - Comply
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Inventory	Inventory / Stores sub system	A	B1	B2	B3	B4	C1	C2	The stores module must seamlessly integrate and balance with the core financial system.	mSCOA Regulation	f4-Stores and inventory (At minimum virtual)	Transactional	1 - Comply
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Inventory	Inventory / Stores sub system	A	B1	B2	B3	B4	C1	C2	Where a full stores module is operational, high value items should annually be measured to establish whether any of these items should be capitalised as 'assets'.	Legislation	f4-Stores and inventory (At minimum virtual)	Not Applicable	5 - Not Available
Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable	Inventory	Inventory / Stores sub system	A	B1	B2	B3	B4	C1	C2	***Normal functions should be included as standard best practice and should include but not be limited to:*** Warehouse management; Acquisitions; Stock Level Management; Disposals; Automated consumable stores stock count sheets (departmental stores).	mSCOA Regulation	f4-Stores and inventory (At minimum virtual)	Transactional	1 - Comply
Grant Management														
Grant management includes all the activities, processes and procedures to register and reconcile all the grants allocated, received and spent according to the conditions in the Annual Division of Revenue Act.														
Grant Management	Subsidies	Maintain a grant register that as a minimum:	A	B1	B2	B3	B4	C1	C2	Provide for a grant register linked to ledger accounts.	mSCOA Regulation	g6-Grant management system	Transactional	5 - Not Available
Grant Management	Subsidies	Maintain a grant register that as a minimum:	A	B1	B2	B3	B4	C1	C2	Automate receipt allocation of grants.	Best Practice	g6-Grant management system	Not Applicable	5 - Not Available
Grant Management	Subsidies	Maintain a grant register that as a minimum:	A	B1	B2	B3	B4	C1	C2	Automate payment allocations.	Best Practice	g6-Grant management system	Not Applicable	5 - Not Available
Grant Management	Subsidies	Maintain a grant register that as a minimum:	A	B1	B2	B3	B4	C1	C2	Link to mSCOA funding source with budget control.	mSCOA Regulation	g6-Grant management system	Transactional	1 - Comply
Grant Management	Subsidies	Maintain a grant register that as a minimum:	A	B1	B2	B3	B4	C1	C2	Provide for reporting in accordance with the mSCOA Regulation and internal control.	mSCOA Regulation	g6-Grant management system	Transactional	5 - Not Available
Full Asset Life Cycle Management including Maintenance Management														
In terms of Section 152 of the Constitution, local government's primary mandate is to ensure services are provided in a sustainable and developmental manner; this notion and spirit is supported by the MFMA. Good asset management facilitates the provision of services in a financially sustainable manner and requires adequate automation of critical process within the asset management cycle. Typical to an effective and efficient system at least the following functions need to be addressed as part of the minimum business process requirements – *(a) Safeguarding of assets, e.g. asset tracking, numbering and locations;* *(b) Maintaining assets, planned and unplanned maintenance which needs to also incorporate capital asset renewal;* *(c) Maintenance costing as an input into asset replacement plans;* *(d) Establishing and maintaining a management, accounting and information system that accounts for the assets of the municipality;* *(e) Asset valuation principles in accordance with Generally Recognised Accounting Practice (GRAP);* *(f) Establishing and maintaining systems of internal control over assets;* *(g) Establishing and maintaining an asset register;* *(h) Clarifying responsibilities and accountabilities for the asset management process, and* *(i) Insurance of assets.*														
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:								***An asset and liabilities subsystem that gives effect to MFMA section 63:*** Assets classes with its associated asset types to manage the accounting policy statements in the financial statements as well as give overall control of all assets within asset classes with its associated useful lives and its associated SCOA reporting framework. It should also include the NERSA Regulatory Reporting Manual (RAM) classification as well as the Department of Water Affairs (DWA) in order for the municipality to comply with NERSA and DWA requirements. All asset transaction types must be accommodated in a flexible manner to accommodate future expansion within the SCOA framework. An audit Trail, with an enquiry facility into the audit trail, of all movement within these files is a requirement. ***The 'asset management system' module should:***				
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	A	B1	B2	B3	B4	C1	C2	Manage the full asset life cycle;	Legislation	f1-Financial asset maintenance	Not Applicable	5 - Not Available
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	A	B1	B2	B3	B4	C1	C2	Manage the contract and build phase of the project by registering the component and rolling the accounting transaction up to the work-in-progress (WIP);	Legislation	f1-Financial asset maintenance	Not Applicable	5 - Not Available
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	A	B1	B2	B3	B4	C1	C2	Immediately after a completion certificate is received, unbundle assets and maintain the parent-child relationship between the main asset and its components;	mSCOA Regulation	f1-Financial asset maintenance	Other Matters	5 - Not Available
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	A	B1	B2	B3	B4	C1	C2	Enable *table-to-floor* inspection sheets (electronic devises are preferred) as well as *floor-to-table* look-up methodologies;	Legislation	f1-Financial asset maintenance	Not Applicable	5 - Not Available
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	A	B1	B2	B3	B4	C1	C2	Host the insurance register and constantly update the portfolio as new assets are purchased or if there is progress on the value of work-in-progress (WIP);	Legislation	f1-Financial asset maintenance	Not Applicable	5 - Not Available
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	A	B1	B2	B3	B4	C1	C2	Compile and monitor expenditure against the asset maintenance plans;	Best Practice	f1-Financial asset maintenance	Not Applicable	5 - Not Available
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	A	B1	B2	B3	B4	C1	C2	Integration to billing systems to monitor investment properties and valuation inconsistencies;	Best Practice	f1-Financial asset maintenance	Not Applicable	5 - Not Available
Full Asset Life Cycle Manage	Asset Management	Subject to the existing legislative and generally recognised accounting practice (GRAP) requirements:	A	B1	B2	B3	B4	C1	C2	Utilise the billing system functionality to ensure ownership of land and buildings to the deeds register;	Best Practice	f1-Financial asset maintenance	Not Applicable	5 - Not Available
Real Estate and Resources Management														
Real estate management includes the management of land plus anything permanently fixed to it, including buildings, sheds and other items attached to the structure that are both lease-in and lease-out. It can be grouped into three broad categories based on its use - residential, commercial and industrial. Examples of real estate include undeveloped land, houses, condominiums, town homes, office buildings, retail store buildings and factories. Specific attention needs to be given to the property register inclusive of owned and leasehold properties, tenant and occupant information, lease contract administration and management, occupational health and safety requirements, insurance, etc. Other resources management among others include fleet (vehicle) management, plant and equipment, etc. including the hiring thereof.														
Human Resource and Payroll Management														
Human resources and payroll management is the organisational function that deals with issues related to employees such as compensation, hiring, performance management, organisational development, safety, wellness, leave management, benefits, employee motivation, communication, administration, and training in line with the prescriptions of the Labour Relations Act. Staff establishment, human resources development and expenditures on staff benefits should be done according to the processes and procedures set out in the MSA and MFMA. Pay roll management entails the administration of the financial record of employees' salaries, wages, bonuses, net pay, and deductions and should be done within the limits of the approved budget and the prescriptions of the South African Revenue Services (SARS). Budgeted remuneration and benefits needs to be directly aligned to the approved staff establishment with provision for vacancies shown separately and all staff payments must be reconciled monthly. The issue of productivity or performance management needs to be addressed by using the latest available technologies such as bio metrics devices.														
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Travel claims Management.	mSCOA Regulation	j3-Payroll	Transactional	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Payroll and Benefits Management.	Optional	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Automated reconciliation at predetermined intervals.	Legislation	j3-Payroll	Not Applicable	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Overtime claims Management/ Time off in lieu.	Legislation	j3-Payroll	Not Applicable	5 - Not Available

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate <u>for each requirement below</u> *(applicable to your category municipality*) <u>one</u> of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Special Allowance Management (e.g. acting, secondments, etc.).	Legislation	j3-Payroll	Not Applicable	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Refunds to staff in respect of over-deductions and ad hoc payments.	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Deductions and payments to third parties (e.g. medical aids, SARS, union contributions, etc.).	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Ad hoc payroll runs must reflect in the Financial Management System.	mSCOA Regulation	j3-Payroll	Transactional	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Must cater for pensioners' benefits.	mSCOA Regulation	j3-Payroll	Transactional	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Provision to record allowance details against a post and employee (e.g. Telephone Allowance, categories, amounts, telephone number etc.).	mSCOA Regulation	j3-Payroll	Transactional	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	The system must cater for all requirements of the South African Revenue Services (SARS).	mSCOA Regulation	j3-Payroll	Transactional	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Must provide a facility to automate the update of tax tables whenever changes occur.	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	History of previous tax tables must be retained on the system for an indefinite period.	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	The system must be flexible so as to cater for any legislative changes to UIF, Workman's Compensation, Unions, etc..	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	The system must be able to cater for more than 1 payroll type (e.g. Staff, Pensioners, etc.).	mSCOA Regulation	j3-Payroll	Transactional	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Narrative type pay slips must be provided (Hard copy and electronically).	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Accumulations of all deductions to be printed on pay slip if required (Pension, tax, housing allowance, motor car allowance, etc.).	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Salary payments made to employees' bank accounts must be catered for electronically by either ACS (Automated Clearing Bureau) or electronic funds transfer (EFT).	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Provide a payment hold facility.	Legislation	j3-Payroll	Not Applicable	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Third Party deduction and payments in terms of schedules or ad hoc basis.	Best Practice	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Variance reporting.	Best Practice	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	The ability to calculate back pay across tax periods and increment periods must be provided for.	Best Practice	j3-Payroll	Not Applicable	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	The system must allow for dummy validation pay runs to be carried out prior to running the final run.	Best Practice	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	All temporary staff (e.g. seasonal workers, learner ship programs, contract workers, etc.) to be controlled via Budget availability.	Best Practice	j3-Payroll	Not Applicable	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Provision to maintain (add, amend, delete) conditions of service pertaining to specific posts.	Best Practice	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Budget control and management of virement requirements.	mSCOA Regulation	b7-HR/Payroll Budgeting tool	Transactional	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4		C2	Report and create the workflow for collection of all employees and councillors with arrear accounts.	Legislation	h6-Debt collection system	Not Applicable	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Provide the financial statements with regulated reporting requirements regarding the municipal councillors' outstanding debtor account details.	Legislation	l3-Annual financial statements	Not Applicable	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Provide the general ledger (GL) with transactions that debit expenditure and credit revenue votes when applicable. This creates a temporary total liability of the payroll balance on the integration control.	mSCOA Regulation	j3-Payroll	Transactional	1 - Comply
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):								***Create the clearing transactions that clear the integration control, these transactions include:***				
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Electronic funds transfer (EFT) to employee's bank accounts into the core financial systems cashbook awaiting approval;	mSCOA Regulation	j3-Payroll	Transactional	5 - Not Available
Human Resource and Payroll Management	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Creation of "invoices" for 3rd parties, SARS (PAYE, VAT, etc.), UIF, Medical aid and pension funds;	mSCOA Regulation	j3-Payroll	Transactional	1 - Comply
Human Resource and Payroll Management	Payroll	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Must be able to easily integrate with banks. Seamless upload of payroll information.	Legislation	j3-Payroll	Not Applicable	5 - Not Available
Human Resource and Payroll Management	Payroll	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Support multiple payrolls with different pay structures.	Legislation	j3-Payroll	Not Applicable	1 - Comply
Human Resource and Payroll Management	Payroll	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Produce, in conjunction with the Human Resource system, a multi-year budget in the mSCOA segmentation.	mSCOA Regulation	b7-HR/Payroll Budgeting tool	Derived from Attributes	5 - Not Available
Human Resource and Payroll Management	Payroll	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	A	B1	B2	B3	B4	C1	C2	Ability to submit statutory reporting to SARS for all taxes.	Legislation	j3-Payroll	Not Applicable	1 - Comply
Customer Care, Credit Control and Debt Collection														
Each municipality must within its financial and administrative capacity establish a sound customer management system as prescribed in the MSA. Credit control and debt collection is the responsibility of the municipality and processes, procedures and mechanisms must be implemented in line with the policy as adopted by the Council as prescribed in the MSA.														
Customer Care, Credit Control and Debt Collection	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000								***The system should enable the municipality to manage an end-to-end debt collection process and must:***				
Customer Care, Credit Control and Debt Collection	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	A	B1	B2	B3			C2	Provide for SMS, email and hand delivered late payment notifications;	Best Practice	h8-SMS and email management system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	A	B1	B2	B3			C2	Provide for parameter based disconnection list generation;	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	A	B1	B2	B3			C2	Manage re-connection and arrangements with integrated notes on the debtor master file and workflow with technical services;	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	A	B1	B2	B3			C2	Integrated clearance applications and calculations;	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate for each requirement below *(applicable to your category municipality)* one of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Customer Care, Credit Control and Debt Collection	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	A	B1	B2	B3			C2	Final demand and summons issuing; and	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	A	B1	B2	B3	B4		C2	Management of attorney actions on an integrated level.	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	A	B1	B2	B3	B4		C2	If the module is a 3rd party solution – it must as a minimum integrate the fees as well as the action history to the billing sub-ledger. This integration must be seamless.	mSCOA Regulation	h6-Debt collection system	Derived from Attributes	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Debtor Classification and Categorisation	A	B1	B2	B3			C2	Indigent Management (Assistance-to-the-Poor).	Best Practice	h7-Credit control system	Not Applicable	1 - Comply
Customer Care, Credit Control and Debt Collection	Credit Control	Debtor Classification and Categorisation	A	B1	B2	B3			C2	*Indigent Register must be accommodated in a work flow of various administration processes including, but not limited to:*	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Debtor Classification and Categorisation	A	B1	B2	B3			C2	House visit;	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Debtor Classification and Categorisation	A	B1	B2	B3			C2	Capturing of details;	Best Practice	h7-Credit control system	Not Applicable	1 - Comply
Customer Care, Credit Control and Debt Collection	Credit Control	Debtor Classification and Categorisation	A	B1	B2	B3			C2	Verification of details, Test against Central Supplier Database;	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Debtor Classification and Categorisation	A	B1	B2	B3			C2	Authorisation of application;	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Debtor Classification and Categorisation	A	B1	B2	B3			C2	Automated Subsidy, Write Off and reversals thereof.	mSCOA Regulation	h7-Credit control system	Derived from Attributes	1 - Comply
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements								*Arrear arrangement functionality must be accommodated in a work flow of various administration processes including, but not limited to:*				
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3	B4		C2	Online Application;	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3	B4		C2	Authorisation of application;	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3	B4		C2	Automated arrangement financials;	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3	B4		C2	Automated Default process;	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3	B4		C2	Irrecoverable Debt Write Off process;	mSCOA Regulation	h6-Debt collection system	Derived from Attributes	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3	B4		C2	Restriction and Reinstatement of Credit and prepaid meters;	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3			C2	Meter Tampering Management;	Best Practice	h7-Credit control system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3	B4		C2	Management facility to monitor Debtors that are also Service Providers (creditors) set off Management;	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Arrear Arrangements	A	B1	B2	B3	B4		C2	Management of staff arrear set off.	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Legal Process	A	B1	B2	B3	B4		C2	Up to the Default Judgement.	Best Practice	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Legal Process	A	B1	B2	B3	B4		C2	Debit Order Payments.	Best Practice	h6-Debt collection system	Not Applicable	1 - Comply
Customer Care, Credit Control and Debt Collection	Credit Control	Legal Process	A	B1	B2	B3	B4		C2	Councillor Arrear Management.	Legislation	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Credit Control	Legal Process	A	B1	B2	B3	B4		C2	Specialised Functionality for Third Party Interfaces (e.g. Staff Arrear Set Offs, Prepaid Vending Arrear Set Offs, Prepaid meter blocking/set offs, etc.)	Legislation	h6-Debt collection system	Not Applicable	5 - Not Available
Customer Care, Credit Control and Debt Collection	Customers	Customer portals to give effect to Section 95 of the Municipal Systems Act, 2000 which (amongst other) requires the following:								***A sound customer management system that:***				
Valuation Roll Management														
The valuation roll forms the basis for the levying of assessment rates and all processes and procedures are governed by the Municipal Property Rates Act, 2004 (MPRA). All categories of properties in the municipal boundary need to be recorder and maintained in a municipal register of properties including the value of land and improvements as described in the MPRA. Municipalities are also required to undertake interim valuations to ensure the property valuation roll is constantly maintained and updated. Importantly, the business processes need to ensure integration with the revenue value chain of the municipality and the billing processes and procedures.														
Valuation Roll Management		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	A	B1	B2	B3				Seamlessly integrate with the revenue management module.	Legislation	i1-Valuation roll	Not Applicable	5 - Not Available
Valuation Roll Management		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	A	B1	B2	B3	B4			Integrate with the building control system used in the municipality to ensure completion of additions and new buildings get immediately updated on the billing sub-system.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Valuation Roll Management		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	A	B1	B2	B3	B4			Integrate with the land use system to ensure appropriate tariffs is timeously applied.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Valuation Roll Management		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	A	B1	B2	B3	B4			Integrate with the Surveyor General (SG) database and town planning systems in use at the municipality.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Valuation Roll Management		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	A	B1	B2	B3	B4			Integrate with the deeds registry and monitor actual sales with current valuations as well as ownership against the billing system.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Valuation Roll Management		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	A	B1	B2	B3	B4			Validate and report anomalies in the asset register on municipal owned properties.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Valuation Roll Management		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	A	B1	B2	B3		C1	C2	Provide the municipal website with the Municipal Propert Rates Act, 2004 required A&B valuation rolls.	Legislation	k6-Website Maintenance	Not Applicable	5 - Not Available
Valuation Roll Management		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	A	B1	B2	B3				The valuation of property will be performed in the separate (Computer Assisted Mass Appraisal) system and the individual property values and relevant property attributes passed to the Solution via an interface with valuation module. Data to be validated and managed within the Solution in compliance with legislation policies and business rules to enable calculation of property rates.	Legislation	i1-Valuation roll	Not Applicable	5 - Not Available
Valuation Roll Management		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	A	B1	B2	B3				Property Rates and service charges are calculated at different tariffs depending on various criteria such as the category of the property.	mSCOA Regulation	i1-Valuation roll	Derived from Attributes	1 - Comply
Valuation Roll Management		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	A	B1	B2	B3				Functionality is required to exempt certain categories of property and/ or certain categories of property owners from rates.	Legislation	i1-Valuation roll	Not Applicable	1 - Comply
Valuation Roll Management		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	A	B1	B2	B3				Functionality is required to calculate a rebate or a reduction in rates in compliance with the requirements of legislation and/ or business rules.	Legislation	i1-Valuation roll	Not Applicable	1 - Comply
Valuation Roll Management		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	A	B1	B2	B3				Functionality is required for the phasing in of rates in compliance with legislation.	Legislation	i1-Valuation roll	Not Applicable	1 - Comply
Valuation Roll Management		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	A	B1	B2	B3	B4		C2	Clearance Certificate Management to be online and comply with Section 118 of the Municipal Systems Act, 2000.	Legislation	h6-Debt collection system	Not Applicable	5 - Not Available
Valuation Roll Management														
Valuation Roll Management														

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate for each requirement below *(applicable to your category municipality)* one of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Land Use Building Control	Land use	Property maintenance	A	B1	B2	B3	B4			Property register providing for all land in the municipal area.	Legislation	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Land use	Property maintenance	A	B1	B2	B3	B4			Town, township, suburb, street, erf, subdivision and sectional title detail must be aligned to the deeds office and Demarcation Board specifications.	Legislation	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Land use	Property maintenance	A	B1	B2	B3	B4			Integration with billing and valuation systems.	Legislation	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Land use	Property maintenance	A	B1	B2	B3	B4			Alignment of ownership must be verifiable with the deeds office.	Legislation	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Land use	Property maintenance	A	B1	B2	B3	B4			Property transfers, subdivisions, consolidations and zoning changes must be system process with work flow and document management driven.	Legislation	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Special	Integration with external stakeholders	A	B1	B2	B3	B4			Must be able to align property register with the Surveyor General register.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Special	Integration with external stakeholders	A	B1	B2	B3	B4			Where a 3rd party GIS system is used integration should be seamless.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Special	Integration with external stakeholders	A	B1	B2	B3	B4			Integration with the asset register for municipal properties.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Building Control	Integration to the Town Planning function	A	B1	B2	B3	B4			Building plan submission and approval.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available
Land Use Building Control	Building Control	Integration to the Town Planning function	A	B1	B2	B3	B4			Document management for building plans and zoning certificates.	Best Practice	i2-Property Register	Not Applicable	5 - Not Available

Revenue Cycle Billing

The valuation roll forms the basis for the levying of assessment rates and all processes and procedures are governed by the Municipal Property Rates Act, 2004 (MPRA). All categories of properties in the municipal boundary need to be recorded and maintained in a municipal register of properties including the value of land and improvements as described in the MPRA. Municipalities are also required to undertake interim valuations to ensure the roll is constantly maintained and updated. Importantly, the business processes need to ensure integration with the revenue value chain of the municipality and the billing processes and procedures.

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:								***Additionally to the standard minimum functionality in the MFMA the billing system must:***				
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Measure and flag anomalies of the current database transaction (all services) against alternative information sources such as Surveyor General (SG), Deeds and valuation rolls to ensure completeness of actual billing;	Best Practice	h1-Billing core	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Calculate and account monthly for the provision of bad debt;	mSCOA Regulation	h1-Billing core	Derived from Attributes	5 - Not Available
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Integration of Prepaid at a minimum of a 'debtor per tariff '-code per region, monthly bill the consolidation sales amount and daily receipt the sales;	mSCOA Regulation	h4-Prepaid vending system / Integration at debtor level from 3rd party.	Derived from Attributes	5 - Not Available
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services;	Best Practice	h1-Billing core	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Provide adequate information for spatial analysis in a GEOGRAPHICAL INFORMATION SYSTEM (GIS) system;	Best Practice	h1-Billing core	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Create and Maintain Regional Structure;	mSCOA Regulation	h1-Billing core	Derived from Attributes	5 - Not Available
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Integrate with valuation and property systems;	Best Practice	h1-Billing core	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Allow for multiple billing cycles;	Best Practice	h1-Billing core	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Create and maintain a tariff structure to comply with mSCOA Regulations;	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Produce monthly invoices to debtors and group accounts;	Legislation	h1-Billing core	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue management module that give effect to MFMA section 64 that also incorporate:	A	B1	B2	B3	B4		C2	Allow for rebates and penalty levies.	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Specific but not limited requirements	A	B1	B2	B3	B4		C2	Must have report writing capabilities for standard & Ad hoc reporting (daily, monthly & annual).	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Specific but not limited requirements	A	B1	B2	B3	B4		C2	Maintenance of tariffs as per the tariffing section.	Legislation	h1-Billing core	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Specific but not limited requirements	A	B1	B2	B3	B4		C2	Integrate with debt collection for disconnections and reconnections.	Best Practice	h1-Billing core	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Specific but not limited requirements	A	B1	B2	B3	B4		C2	Integration into 3rd party software for receive readings taken.	Best Practice	h1-Billing core	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Specific but not limited requirements	A	B1	B2	B3	B4		C2	Must be able to store infrastructure (metering) diagrams which will show the physical location of meter in order to be able to drill down to all of the relevant information concerning the meter in question.	Best Practice	h1-Billing core	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Specific but not limited requirements	A	B1	B2	B3	B4		C2	Must have a full process and document flow for terminations and re-connections of services and the relevant documentation.	Best Practice	h1-Billing core	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Specific but not limited requirements	A	B1	B2	B3	B4		C2	Must integrate with the Geographical Information System (GIS) to the extent that reticulation of services can be viewed as a layer at any point in time within the context of the current property being worked on.	Best Practice	h1-Billing core	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Billing Reporting and Tariff Maintenance	A	B1	B2	B3	B4		C2	Must be able to do consolidated billing of properties (all services and rates into one bill): As Municipalities are working within the determination of the Municipal Property Rates Act, 2004, a property relational database design is critical. The respective debtor is secondary to that.	Legislation	h1-Billing core	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Billing Reporting and Tariff Maintenance	A	B1	B2	B3	B4		C2	Generate statements at any point in time and consolidate at customer level.	Best Practice	h1-Billing core	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Billing Reporting and Tariff Maintenance	A	B1	B2	B3	B4		C2	Flexible tariff building structure and design. System must be capable of inclining block tariffs based on daily, monthly, or annual rate scales.	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Billing Reporting and Tariff Maintenance	A	B1	B2	B3	B4		C2	Must allow for the maintenance of tariffs as per the tariffing section.	mSCOA Regulation	h1-Billing core	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Billing Reporting and Tariff Maintenance	A	B1	B2	B3	B4		C2	Customer must be able to nominate between mailing, MMS or e-mailing of monthly statement.	Best Practice	h1-Billing core	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Must adhere to applicable legislation and by-laws.	Legislation	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Allow for all accepted payment methods at cashiers, including automated payment and clearing of card payments.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting								To accommodate fully automated processing of multiple receipting streams including but not limited to:				
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Payroll;	Best Practice	h2-Point of Sales system	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Third Party vendors (e.g. Absa, Easy Pay, Prepaid Vendor, etc.);	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Cash Offices;	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Traffic;	Best Practice	h2-Point of Sales system	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Other Municipal Directorates (e.g. Fresh Produce Market, Libraries, etc.).	Best Practice	h2-Point of Sales system	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	To cater for multiple bank accounts.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Processing of payments at supervisor controlled cash offices to accommodate cashier opening, balancing and closing.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Multiple daily and monthly online and automated reconciliations.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Receipting to be online.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Cash payments must be able to be processed during database server and network downtime.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	All pay points and receipting streams to be uniquely identifiable in the sub ledger and general ledger.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate <u>for each requirement below</u> *(applicable to your category municipality*) <u>one</u> of the following: 1. “Comply – Demo is available”; 2. “Third Party Integration – Demo is available”; 3. “Proof of Concept is available – Implemented by 30 June 2017”; 4. “Future Development – Proof of Concept by December 2016”; or 5. “Not available”
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Receipting to also accommodate specialised payment types e.g. Rates Clearance, Arrear Debt arrangements, Assistance-to-the-Poor, Service Deposits, etc.	Best Practice	h2-Point of Sales system	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	To accommodate the correction of erroneous and/or rejected receipts.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Facility to reverse "refer to drawer"(R/D) for Cheques, debit orders and IVR payments.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	To facilitate debit orders.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Printing and re-printing (marked as "Copy Receipt") of receipts.	Legislation	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Interface with barcode scanner to scan account numbers from the statements.	Best Practice	h2-Point of Sales system	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Recording of cheque details.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Reversal of receipt and associated interest where applicable.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	While the billing process itself follows standard accounting practices for raising debit and credit transactions, the tariffs of charges and the business rules that govern the selection of the Appropriate tariff are complex. The Solution will provide functionality to calculate the amounts due for services and levies in accordance with the determined tariffs and business rules.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Calculate the income due to the municipality for services and/ or products or property, on a regular, user defined and maintainable basis.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Generate invoices and/or statements for the amounts payable to the municipality on a regular, user defined and maintainable basis.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Group accounts into one or more 'billing cycles' based on user defined criteria.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Provides the facility to charge interest on arrears amount subject to certain user defined provisions and according to user maintainable rates.	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting								***Functionality is required to raise debit and credit transactions which are updated to a Debtor account. The functionality must provide for the following transaction sources:***				
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Calculated transactions - these transactions will be the result of a calculation that is subject to user defined business rules to determine the tariff to be used, special conditions that may apply to be used, discounts or rebates to be applied etc.;	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Manually Input transactions - these transactions are captured by a user and will reflect all the details of the transaction;	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Electronic transactions - these transactions are received electronically, which then must be identified and raised to the relevant Debtor account.	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Transactions will be classified by type e.g. billing transaction, receipt transaction, journal transaction etc. The definition of a transaction type must be user maintainable.	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	All transactions, regardless of type and origin, must be date/time stamped and have the user/origin included in the record. A narration / description field must be available whereby a short description of the transaction can be recorded.	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Functionality is required to correct and recalculate incorrect accounts with full audit trail of actions taken to rectify the error. This could include the recalculation of interest over different financial periods at different rates. *(MSA section 95f).*	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Account maintenance functionality is required to generate the necessary transactions to correct accounts which are in error by an authorised user with a full audit trail and maintenance report of actions taken to rectify the error. *(MSA section 95f).*	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Account maintenance functionality must produce 'hard copy' of all transactions generated to rectify the account to enable the user to verify and 'sign off' the action taken.	Best Practice	h2-Point of Sales system	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Functionality is required to categorise Debtors and Properties by a set of user defined parameters. The categories are used to create subsets of the Debtor Master for reporting, to establish appropriate tariffs and to determine billing cycles (MPRA section 3(3)c(i)).	mSCOA Regulation	h2-Point of Sales system	Derived from Attributes	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Functionality is required to process different Debtor and property categories according to different business rule or time frames.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Tariffs are stored by effective date from inception and all history is retained to enable recalculation of accounts even over different tariff periods.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Functionality is required for the system to automatically apply new tariffs from the effective date specified in the tariff record. At this time the 'current ' tariff will receive a status of 'expired' and the 'new' tariff becomes 'current'.	Best Practice	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	It is important to note that in all areas of revenue calculation, rebates and/ or exemptions may be applied based on a single or on multiple criteria which may be applied to the Debtor account in an 'and/ or' context. The Solution must provide the required level of flexibility to cater for these variations.	Legislation	h2-Point of Sales system	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Revenue receipting	A	B1	B2	B3	B4		C2	Miscellaneous Charges: Certain miscellaneous charges may be raised at regular intervals (monthly, quarterly, annually) and fixed periods whilst others are raised on an ad hoc basis with automated escalation dates and percentages.	Best Practice	h2-Point of Sales system	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality is required to link the numbered meter that is used to measure the consumption of services to the erf/ property on which the meter is installed. It is important to note that there may well be more than one meter per erf/ property.	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality is required to categorise meters.	Best Practice	h3-Metered services	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	The Solution must be able to record the relationship of each meter to the property and track meter readings and relevant history of each meter individually.	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality is required to link the Debtor to the numbered meter that is used to measure the Debtor consumption of services. It is important to note that a Debtor may well be linked to a number of meters. (E.g. a landlord with a number of leased properties). (MSA section 95d).	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality is required to create and maintain practical and efficient meter reading routes.	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)								***Functionality is required to capture and record the meter reading and the date on which the meter was read. At least the following methods of capture must be provided, namely:***				
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Capture via standard keyboard entry;	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Receiving meter readings electronically from a third party interface. Automated uploading and validation will be required.	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Meter readings must be retained at a transaction level and may not be overwritten, deleted or adjusted. Errors must be rectified by entering a cancelling entry and entering the correct reading.	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality is required to calculate charges for services consumed according to user defined algorithm which may contain a number of variable factors in order to determine the correct tariffs to apply.	Best Practice	h3-Metered services	Not Applicable	1 - Comply

Business Process	Sub-Process	Legislative or Business Requirement	A - Metros	B1 - Secondary Cities	B2 - Large Towns	B3 - Small Towns	B4 - Mostly Rural	C1 - districts without billing	C2 - districts with billing	System / Applications minimum functionality	Required by	Pricing Schedule Alignment	mSCOA Segments	Please indicate for each requirement below *(applicable to your category municipality)* one of the following: 1. "Comply – Demo is available"; 2. "Third Party Integration – Demo is available"; 3. "Proof of Concept is available – Implemented by 30 June 2017"; 4. "Future Development – Proof of Concept by December 2016"; or 5. "Not available"
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality is required to raise the charges against a debtor's account according to a user defined billing cycle (which may coincide with the meter reading cycle for an area).	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	In the event of a meter being read 'out of cycle' the charges may be raised to the debtors account on an 'ad hoc' basis. These charges raised must be visible on the debtor's account immediately, but will not generate an invoice immediately as it will be included on the standard invoice/ statement generated during the next billing cycle.	Best Practice	h3-Metered services	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	In the event that a meter reading is not received, functionality is required to calculate an estimated consumption, according to a user maintained algorithm.	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality is required to recalculate an account from all meter transaction history, taking into account any tariff changes, or from a specific starting point in the history on an ad hoc basis with the option to accept or discard the result. (i.e. the recalculation will be regarded as a 'what if' with the option to make it 'live').	Best Practice	h3-Metered services	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Meter management system must be integrated/ interfaced with the Billing Component.	Best Practice	h3-Metered services	Not Applicable	1 - Comply
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)								***Prepaid electricity meters:***				
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality that is an integral part of the Billing interface to its prepaid vendor;	mSCOA Regulation	h3-Metered services	Derived from Attributes	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Automated blocking and arrear set off functionality is required.	Best Practice	h3-Metered services	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Water inventory managing.	mSCOA Regulation	h3-Metered services	Derived from Attributes	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Functionality is required to manage an Inventory of Water Meters. This to be work flowed as certain steps are dependent on others.	Best Practice	h3-Metered services	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)								***Reports/ extracts including but not limited to:***				
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Water Meter maintenance management;	Best Practice	h3-Metered services	Not Applicable	5 - Not Available
Revenue Cycle Billing	Billing	Meter Management (credit and prepaid)	A	B1	B2	B3	B4		C2	Various statistical extracts and reports.	Best Practice	h3-Metered services	Not Applicable	5 - Not Available