



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

ADDENDUM 2 TO FINANCIAL CIRCULAR NUMBER 03 OF 2019-20

This is the second addendum to financial circular number 03 of 2019-20, which provides guidelines on finance and supply chain management matter in support of COVID-19 Disaster Management Response Plan of the Department of Correctional Services.

1. EXPENDITURE CLASSIFICATION GUIDANCE FOR ITEMS PURCHASED RELATED TO THE COVID-19 PANDEMIC USING THE CHART OF ACCOUNTS

- 1.1 To be able to track, control and properly account for all expenditure incurred in respect of COVID-19 pandemic, National Treasury has created under Project Segment a **Project: COVID-19 FUNDS** on BAS at a posting level.
- 1.2 When procuring any item relating to COVID-19, the Project Segment **must always be Project: COVID-19 FUNDS** and no longer "No Project".
- 1.3 The classification of whether an item is an inventory or consumable will not change.
- 1.4 Regions are reminded that depending on what is procured, Health Services or Personal Hygiene activities must be used in line with the relevant Activity Delimitations under Programme: Care and Sub-Programme: Health and Hygiene Services. Relevant Responsibilities must continue to be used.
- 1.5 At all times regions must ensure that the correct Standard Chart of Accounts (SCoA) expenditure items are used to avoid any misclassifications.
- 1.6 Park homes and generators shall be procured centrally by Head Office Facilities Management using Capital Works Programme allocation.
- 1.7 ALL expenditure incurred to date **MUST** be journalised to the correct Project Segment as per 1.2 above by the **7th of April 2020**.

FINANCIAL CIRCULAR NUMBER 1 OF 2018/19: STATE INCOME TARIFFS FOR FINANCIAL YEAR 2018/19

2. DOCUMENTATION CONTROL

- 2.1 To ensure a proper audit trail and document trail for all COVID-19 incurred expenditure all supporting documentation must be copied and certified and submitted to the relevant Regional Office for the attention of the Regional Head: Finance and SCM (RH: Finance).
- 2.2 All RH: Finance must check for completeness of supporting documents and allocations and file per management area.
- 2.3 Each store must remain with original payment documents which must be filed according to the Logistics Manual.
- 2.4 For audit purposes COVID-19 expenditure will be audited at regional office level.

3. The above directive must be implemented with immediate effect.

APPROVAL



CHIEF FINANCIAL OFFICER

DKN LIGEGE

DATE: 2020/3/30