



Member of the Executive Council  
for Finance  
FREE STATE PROVINCE

**CABINET REFERENCE NO.:** ...../2011

**DEPARTMENTAL FILE NO.:** PROVINCIAL REVENUE ENHANCEMENT  
STRATEGY

**FREE STATE EXECUTIVE COUNCIL MEMORANDUM  
PROVINCIAL TREASURY**

**SUBJECT: PROVINCIAL REVENUE ENHANCEMENT STRATEGY**

**1. PURPOSE**

To request approval from the Executive Council on the Provincial Revenue Enhancement Strategy (the Strategy), a copy of the Strategy is attached.

**2. BACKGROUND**

In the 2011 Budget Speech, honourable Mr. Mohai, MEC of Finance made it clear that the Free State Provincial Treasury will develop a Revenue Enhancement Strategy that aims to enhance revenue, through implementing new policies, such as the revenue enhancement allocation and reinforcing current strategies.

**3. DISCUSSIONS**

- 3.1 The Strategy aims to improve the efficiency and effectiveness of current processes that may result in the improvement of revenue collection.
- 3.2 The Strategy firstly addresses the Provinces revenue retention plan. The purpose of this revenue retention plan is to ensure that, where possible, the Free State Province invests the collected own revenue back into revenue related projects to enhance and maximize own revenue collection. The Province's retention plan will be implemented through a Revenue Enhancement Allocation (REA).
- 3.3 In the Strategy, there is a part for the usage of collecting agents for outstanding revenue on behalf of provincial departments. The Strategy also stipulates certain requirements that must be adhere to when departments make use of collecting agents.
- 3.4 Other topics that are addressed in the Strategy include:
  - The reporting of revenue performance;
  - Grading of revenue institutions;
  - Revenue budget;
  - Attainment of revenue target by departments;
  - Management of Provincial Revenue Fund;

- Financial Agreements with Revenue Collecting Agents;
- Outstanding revenue and debt management;
- Claims against revenue; and
- Cash Donations

**4. COMMUNICATION**

All departments were requested for inputs with the commencement of process (May 2011) and the draft Provincial Revenue Enhancement Strategy was circulated to departments for their final inputs in July 2011.

**5. FINANCIAL IMPLICATIONS**


If Departments adhere to the principals and guidance provided by the Revenue Enhancement Allocation Strategy, the Province is likely to increase its revenue base.

**6. RECOMMENDATIONS**

The Executive Council is requested to:

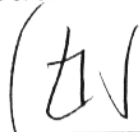
- 6.1 **Approve** the Provincial Revenue Enhancement Strategy.
- 6.2 **Agree** that Provincial Departments must adhere to the requirements stipulated in the Strategy.
- 6.3 **Agree** on the percentage allocation for Revenue Enhancement Allocation in the Strategy.
- 6.4 **Agree** to the immediate implementation of Provincial Revenue Enhancement Strategy to accommodate its first allocation in the 2012/13 fiscal year.

**Recommended by:**

  
 \_\_\_\_\_  
**Mr. HL KGOMONGWE**  
**CEO: FREE STATE TREASURY**

Date.....5...../.....9...../.....2011

**Submitted by:**

  
 \_\_\_\_\_  
**Mr. S. MØHAI**  
**MEC FOR FINANCE**

Date:.....5...../.....9...../.....2011

**TO: The Secretary: Free State Executive Council**

**Please place an appropriate item on the next agenda of the Executive Council and distribute copies of this Memorandum to the respective Members of the Executive Council for consideration.**



**Mr. S. MOHAI**  
**MEC FOR FINANCE**

**DATE:** 5/9/2011





treasury

Department of  
treasury  
FREE STATE PROVINCE

# PROVINCIAL REVENUE ENHANCEMENT STRATEGY

FISCAL POLICY DIRECTORATE

Private Bag X20537, Bloemfontein, 9300

Provincial Government Building, 12th Floor, Room 1211 On Mackay and Elizabeth Streets, Bloemfontein

Enquiries: T Mabile

Tel: 051 305 4175

E-Mail: [fshepo@treasury.fs.gov.za](mailto:fshepo@treasury.fs.gov.za)

[www.fs.gov.za](http://www.fs.gov.za)



treasury

Department of  
Treasury  
FREE STATE PROVINCE

## TABLE OF CONTENT

	PAGE
Abbreviations .....	3
1. Executive Summary .....	4
2. Objectives for producing Revenue Enhancement Strategy ....	5
3. Legislation .....	5
4. Revenue Retention Plan .....	5
5. Financial Agreements with Collecting Agents .....	7
6. Reporting of Revenue Performance .....	8
7. Grading of Revenue Institutions .....	9
8. Capturing of Revenue Collected and Budget .....	9
9. Management of the Provincial Revenue Fund .....	10
10. Outstanding Revenue and Debt Management .....	13
11. Revenue Budget .....	14
12. Attainment of revenue target by department .....	15
13. Maximum utilisation of provincial assets .....	15
14. Bursaries .....	16
15. Roles and Responsibilities .....	16
16. Policy Implementation and Review .....	16



treasury

Department of  
Treasury  
FREE STATE PROVINCE

## ABBREVIATIONS

AO (HOD)	Accounting Officer (Head of Department)
BAS	Basic Accounting System
DoRA	Division of Revenue Act
EXCO	Executive Council
FOHOD	Forum of Heads of Departments
FSG	Free State Government
MEC	Member of Executive Council
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NaTIS	National Traffic Information System
Natis/e-Natis	National Traffic Information System
NFD	Non Financial Data
PAdS	Patient Administration System
PERSAL	Personnel and Salaries system
PFMA	Public Finance Management Act
PMG	Paymaster General account
PMTEC	Provincial Medium Term Expenditure Committee
PRF	Provincial Revenue Fund
SARB	South African Reserve Bank
SARS	South African Revenue Service
TOR	Terms of Reference
TR	Treasury Regulations



treasury

Department of  
Treasury  
FREE STATE PROVINCE

## 1. EXECUTIVE SUMMARY

During 2011 Provincial Budget Speech, the Honorable MEC Mohai pronounced Free State Provincial Treasury's intentions to develop a *Revenue Enhancement Strategy* that aims to enhance revenue, through implementation of new policies, such as the revenue enhancement allocation and continue reinforcing current strategies. The Strategy will aim to improve the efficiency and effectiveness of current processes that may result in improved revenue collection.

Calls for a *Revenue Enhancement Strategy* come against the backdrop of increasing Provincial priorities with a tightening fiscal envelope. The "crowding-out" effect of national priorities has resulted in limited funds being available from the Provincial Equitable Share for provincial priorities. The Strategy will enable the Province to increase its Own Revenue to the targeted "**R1 Billion mark**" and in the same light be able to address ever growing Provincial specific priorities.

The Strategy will seek to address the Province's revenue retention plan. The purpose of this revenue retention plan is to ensure that, where possible, the Free State Province invests the collected own revenue back into revenue related projects to enhance and maximize own revenue collection. The Province's retention plan will be named the Revenue Enhancement Allocation (REA).

The Strategy deals comprehensively with revenue importance and expectations from the Provincial Departments. The Strategy also highlights what the Departments & Province can benefit from this policy document.

The Strategy is set to be implemented for the 2012/13 financial year and will be reviewed on an annual basis.



treasury

Department of  
Treasury  
FREE STATE PROVINCE

## 2. OBJECTIVES FOR PRODUCING THIS REVENUE ENHANCEMENT STRATEGY

- 2.1 The annual fiscal allocations (equitable share and conditional grants) are not sufficient for the competing needs and service delivery backlogs for the people in the Free State Province. The Strategy is an instrument to enhance revenue, strengthen existing control processes and creates initiatives ways for new revenue streams.
- 2.2 Support and assist Free State Provincial Departments and entities in effective, efficient and sound management of revenue in the Province.
- 2.3 The Strategy will also guide the Provincial Departments in terms of best practices in revenue administration.
- 2.4 It seeks to protect the funding that is meant for revenue related projects, systems and key areas that need funding to increase revenue.

## 3. LEGISLATION MANDATE

The following legislation governs the Strategy:

- The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996);
- The Public Finance Management Act (Act 1 of 1999, as amended by Act 29 of 1999);
- Intergovernmental Relations Framework Act of 13 of 2005;
- Annual Division of Revenue Act; and
- Treasury Regulations (issued in terms of PFMA, 1999).

When the Strategy is in conflict with the above legislation or any other legislation the provision of that other legislation prevails.

## 4. REVENUE RETENTION PLAN

- 4.1 The purpose of this Revenue Retention Plan is to ensure that the Free State invests the collected own revenue back into revenue related projects to enhance and maximize own revenue collection.
- 4.2 The Revenue Retention Plan is intended to assist the Free State Government Departments with the funding of revenue related



treasury

Department of  
Treasury  
FREE STATE PROVINCE

projects/systems and it does not take away responsibility from Departments to budget and prioritize revenue related projects.

### **Revenue Enhancement Allocation**

- 4.3 Starting from the 2012/13 financial year, the Free State Provincial Government will have a new allocation on their expenditure budget; this allocation will be called the **Revenue Enhancement Allocation**.
- 4.4 The purpose of the Revenue Enhancement Allocation is to ring-fence allocations for spending on revenue related projects and systems.
- 4.5 Only **five per cent (5 %)** of the total Provincial own revenue budget (a single pool) will be allocated to the Revenue Enhancement Allocation.
- 4.6 The 5 % allocation may be reviewed (upward or downward) annually to ensure that it is in line with the needs and priorities of the Free State Government.
- 4.7 All Free State Government Departments (excluding Legislature) qualify to request Revenue Enhancement Allocation subject to approval and Departments providing the following information:
- a. Amount needed for funding;
  - b. Request for funding will be reviewed and provided yearly;
  - c. Projected revenue if the request is approved or any other benefit that will be derived from this funding; and
  - d. In the event the funding is requested for paying debt collectors or any other revenue collecting agents, the requesting Department must clearly motivate and explain why there is a need for such service. The following must also be provided to Treasury:
    - i. A motivation on why the service cannot be performed with current personnel establishment;
    - ii. The amount that the Department will continue to lose if they do not use a service provider;
    - iii. Estimate of the total expenditure (per month and per annum) on service provider which they intend to utilize;
    - iv. Indication of the timeframe which they intend to utilize the service provider;
    - v. Is the requested funding a top-up to existing budget or is it requested fund fully; and



treasury

Department of  
Treasury  
FREE STATE PROVINCE

- vi. In the event where there is a deficit (requested amount is less than what the Department must pay to the revenue collecting agent), the funding of the deficit must be clearly indicated.

### **Funding Request for Revenue Enhancement Allocation**

- 4.8 The Revenue Enhancement Allocation will follow the very same process that the Departmental expenditure budget follows for monitoring and approval.
- 4.9 The request for Revenue Enhancement Allocation funding should be done during the Provincial Medium Term Expenditure Committee (PMTEC) meetings.
- 4.10 In the event where there are no revenue projects (from Departments) or if all revenue projects presented by Departments do not qualify for funding, Provincial Treasury may advice/recommend that the Revenue Enhancement Allocation should not be used for funding revenue related projects/systems and rather fund other priorities that are not necessarily linked to Revenue Projects.
- 4.11 The Revenue Enhancement Allocation will not be used for Compensation of Employees.
- 4.12 The amount over collected by the Department will not necessarily determine the amount that will be received by the Department or revenue collecting institution.

## **5. FINANCIAL AGREEMENTS WITH COLLECTING AGENTS**

- 5.1 Departments may utilize the service of collecting agencies to assist with regard to revenue collection.
- 5.2 To enable the Departments to make use of collecting agents effectively, efficiently and economically, Departments must adhere to the following prescripts:
- There must be a Service Level Agreement (SLA) in place between Department and collecting agent;
  - Provincial Treasury must endorse all SLA's between collecting agents and Departments;
  - Department must clearly define to Provincial Treasury on how the agency will be paid in terms of service delivered;



treasury

Department of  
Treasury  
FREE STATE PROVINCE

- d. All SLA's must be performance based. The amount collected by the collecting agency must be higher than the cost of utilizing the agency and value for money must a determining factor;
- e. All debt collectors must recover the money and pay it to the Department on monthly bases;
- f. The performance reports must be produced by Departments every month to monitor the progress.

## 6. REPORTING OF REVENUE PERFORMANCE

- 6.1 The purpose of the monthly revenue reports is to assist the Free State Government with the following:
  - a. Serve as an early warning system for Departments that may under-collect at the end of the financial year;
  - b. Assist with revenue projections;
  - c. Diagnose the challenges that exist in the revenue collecting environment;
  - d. Highlight achievements and non-compliance within the revenue collection environment;
  - e. Inform the Free State Provincial Government structures regarding the reasons for the under- or over collection; and
  - f. Advice management of Departments on ways to address under-collection.
- 6.2 On monthly basis, Provincial Treasury must inform the Forum of Head of Departments (FOHOD) regarding the monthly revenue performance.
- 6.3 A memorandum should be presented to Executive Council (EXCO) or Extended EXCO on quarterly basis.
- 6.4 This policy does not limit Provincial Treasury to the above mentioned reporting intervals. At any point, Provincial Treasury may be requested to do a presentation on revenue for FOHOD, EXCO and Extended EXCO.
- 6.5 According to the PFMA, the Provincial Treasury must promote and enforce transparency and effective management in the respect of revenue.
- 6.6 The Accounting Officer must report to the executive authority and the Provincial Treasury any impending, PFMA 39(2)(b):
  - Under collection of revenue that is due;
  - Shortfalls in budgeted revenue;



treasury

Department of  
treasury  
FREE STATE PROVINCE

- Overspending of the Department's vote or a main division within the vote.
- 6.7 PFMA Section 40(b) states that, "the Accounting Officer must each month submit information in the prescribed format on actual revenue and expenditure for the preceding month and amounts anticipated for that month".

### **Non-Financial Data (NFD)**

- 6.8 The purpose of Non-Financial Data (NFD) is to promote the monitoring of revenue performance and the determination of revenue budget projections as it is necessary to collect statistics or NFD on the various revenue items.
- 6.9 The revenue template issued on NFD by Provincial Treasury to Departments must be submitted to Treasury on a monthly basis.
- 6.10 NFD must be utilized by Departments to assist with the monthly projections and the determination of the MTEF budget.

## **7. GRADING OF REVENUE INSTITUTIONS**

- 7.1 It is critical that all revenue collecting institutions that qualify for grading must be graded. The grading will assist the institutions in positioning their services, improving the standards and identifying revenue institutions that need upgrades (if an institution gets below or above certain standard).
- 7.2 Grading must also be used as an instrument to balance the demand and supply of services that are offered by the revenue collecting institutions.
- 7.3 The grading intervals are subject to prescripts governing them and should be in line with the applicable legislation.

## **8. CAPTURING OF REVENUE COLLECTED AND BUDGET**

- 8.1 The Accounting Officer or designated official shall ensure that all receipts and deposits are banked and that all the form codes have been submitted for capturing on BAS at least on a monthly basis.



treasury

Department of  
Treasury  
FREE STATE PROVINCE

- 8.2 In terms of Section 21(2) of the Public Finance Management Act, money is paid into a revenue fund by depositing it into a bank account in accordance with the configuration requirements as prescribed in Treasury Regulation 15.2.
- 8.3 Departments must implement revenue management processes that provide for separation of duties, effective supervision and monitoring of revenue collected, e.g. activities related to the collection, recording and banking of revenue may not be undertaken by the same person.
- 8.4 The relevant responsibility manager (head of the office) or delegated person shall at least once a week carry out a check of all money or face value forms to ensure that the amount on hand is correct and that the money received has been banked and not withheld.
- 8.5 It is the responsibility of head office (Departments) to govern and monitor the capturing of revenue collected on BAS. Departments should ensure that process is in place that ensures that all revenue collected during a calendar month will be captured during the same calendar month.
- 8.6 The Accounting Officer must ensure that the revenue policy or revenue procedure manual of the Department give detail instructions on the collection, depositing and safeguarding of money.
- 8.7 The main (original) revenue budget should be captured on BAS, before the 15 of April, on an annual basis. Within 15 days after the finalization of the adjustment budget the adjusted budget should be captured on BAS. All budgets should be captured on the lowest item level.

## 9. MANAGEMENT OF THE PROVINCIAL REVENUE FUND

Collected revenue by the Departments and Public Entities cannot be utilised for expenditure purposes.

### 9.1 Payments to Provincial Revenue Fund

- a. Money deposited into the Paymaster-General (PMG) account must immediately be available to the relevant treasury for funding expenditure or investment according to its central cash management responsibilities (TR 15.3.2).
- b. In accordance with TR 15.5.1 all revenue received by a Department must be paid daily into its PMG account or, for



treasury

Department of  
Treasury  
FREE STATE PROVINCE

- amounts less than R500, as soon as practicable, but at least by the last working day of the month.
- c. In line with Sustainable Resource Management Circular No 4 of 2008, Departments must pay over the revenue collected on a weekly basis from the PMG to PRF.
  - d. In accordance with TR 15.3.2 “No Provincial Department may receive [a transfer payment] transfers from a national Department or public entity directly; such funds must be deposited into the nominated banking account of the Province as required by paragraph 15.2.3.”
  - e. All money received by a Provincial government, including the province’s equitable share, and grants made to it, in terms of the annual Division of Revenue Act, must be paid into the Provincial Revenue Fund, PFMA 22(1).
  - f. On a weekly basis the delegated person of the Department must reconcile revenue collected from different collecting institutions and pay it into the Departments PMG account before transferring to the PRF of Provincial Treasury.
  - g. With regard to Public Entities:
    - i. Public Entities must pay collected revenue on a weekly basis to their mother Departments and subsequently, Departments will transfer money from PMG to Provincial Treasury’s PRF.
    - ii. Public Entities must compile reconciliation of their returns/bank statement weekly to indicate the collected revenue and payments to mother Department.

*Failure to collect revenue and pay over to Provincial Revenue Fund has major legislative implications and it impedes the Provincial Treasury to generate interest on behalf of the province.*

## 9.2 Claims Against Revenue

- a. As the sole custodian of the PRF, Provincial Treasury will not approve any claims against the PRF if the requesting Department has outstanding payments to the PRF.
- b. Section 24(1)(b) of the PFMA states that only the Provincial Treasuries may withdraw money from Provincial Revenue Fund, and may do so only -
  - i. To provide funds that have been authorized -
    - in terms of an appropriation by a provincial Act; or



treasury

Department of  
Treasury  
FREE STATE PROVINCE

- as direct charge against the Provincial Revenue Fund provided for in the Constitution or provincial Act;
- ii. To refund money incorrectly paid into, or which is not due to the provincial revenue fund
- c. All claims against revenue (in line with delegations) submitted to Provincial Treasury by revenue collecting Departments will not be assessed or approved if the following information is not attached to the request/submission:
  - i. All supporting documents (including system reports) relating to the amount deposited incorrectly (not due) to PRF.
  - ii. A BAS report which indicates the availability of funds at the corresponding item from which the payment will occur.
  - iii. A BAS report which indicates that the revenue in the Department's PMG account has been paid over to the PRF.

### 9.3 **Cash Donation(s)**

- a. All cash donations must be deposited into the Provincial Revenue Fund;
- b. Departments must ensure that all cash donations received must be deposited and should reflect in the PRF before the Adjustment Budget annually;
- c. The receiving Department must submit a request to Provincial Treasury in the event they want the cash to be withdrawn and transferred from the PRF to the Department's PMG;
- d. The request of the Department will only be considered if the cash donation amount reflects in the PRF;
- e. The Department may not request more than what they have deposited and reflects in the PRF;
- f. Subject to outstanding funds to PRF or any other matter that Provincial Treasury may deem critical, Provincial Treasury may approve or disapprove the request by Department to request transfer of cash donation amount;
- g. In the event the Department's request to access the Cash Donation is approved by Provincial Treasury, the approved amount will be appropriated and channeled to the Department through the Adjustment Budget.



treasury

Department of  
Treasury  
FREE STATE PROVINCE

- h. Where it was not possible for a Department to conclude the cash donation before Adjustment Budget and the cash donation request qualifies for Provincial Treasury approval, the Provincial Treasury may pass a Special Adjustment Budget or include the cash donation in the Departmental Main Appropriation in the following financial year.

## 10. OUTSTANDING REVENUE AND DEBT MANAGEMENT

- 10.1 Outstanding revenue is any amount owing to or receivable by the institution, such as invoices for charges for goods or services, fees or fines, patient fees, motor vehicle licenses outstanding, TR 11.1.1.
- 10.2 The Accounting Officer of a Department is responsible to take effective and appropriate steps to collect all money due to the Departments or entity, PFMA 38(c)(i). It is therefore vital that each Department must have a debt policy for the collection of all debt, Department must ensure that they comply with the all the requirements of Treasury Regulation 11.
- 10.3 The Accounting Officer must ensure that proper records are maintained and classification of all debtors are done, including amounts received in part payment, differentiate between debt due, debt collected, debt outstanding.
- 10.4 Department must charge the interest rate on debt as determined by the Minister, as published in government gazette, PFMA 80(1).
- 10.5 Processes for recording of debt (non officials) must be specified by the Departments in their Debt Policy.
- 10.6 Functions of the Debt Sections for the Departments must assist to ensure that the outstanding revenue is recovered.
- 10.7 The systems utilized by the Departments for the recording debt transactions should clearly provide debtors details.
- 10.8 Departments that have huge public outstanding revenue must annually create awareness amongst public on the importance of paying.
- 10.9 Departments have to ensure that clients/public are aware (bill) of the outstanding debts.
- 10.10 All the money recovered from revenue related debtors should be considered revenue for the Province.



treasury

Department of  
treasury  
FREE STATE PROVINCE

- 10.11 Department must also ensure that the debtor is untraceable and all steps have been taken to recover money.
- 10.12 Departments must clearly stipulate the processes for the write-offs in the Debt Policy.

## 11. REVENUE BUDGET

- 11.1 When Departments determine their annual revenue budgets it is vital that the final budget is informed by the inputs of their institutions (regional offices and revenue collecting institutions), therefore revenue bi-laterals between head office and regional office/collecting institutions must be held before submitting or presenting revenue projections to Provincial Treasury.
- 11.2 It is the responsibility of both Department and their revenue generating institutions to ensure that the proposed revenue budgets are achievable and that the following factors must be considered when the revenue budget of the Department is determined:
- a. Potential of each item must be determined, by analysing current performance per item, this include the Performance to date (over/under-collection);
  - b. Tariff increase must be factored into the projections;
  - c. Current and future economic conditions, e.g. inflation, economic growth, unemployment rate etc. effect must be considered, since the demand for Departments' services (resorts, etc.) depend on the public interest and their ability to pay for services (health, etc.);
  - d. National and Provincial decisions or policies that may impact on performance must be taken into account, this include consideration for new potential sources or plans to maximize revenue;
  - e. Historical performance-analyses, an analysis of the previous 3 years' performance must be done; collection trend must also be considered;
  - f. Once off revenue received for a financial year which is unlikely to be received in the following financial year must be stripped off in order to project accurately;
  - g. Non Financial Data, such as number of visitors at the resorts, patient at hospital, etc. must also be used when determining target of an institution; and
  - h. Upgrading and maintenance of institutions.



treasury

Department of  
Treasury  
FREE STATE PROVINCE

- 11.3 When determining the revenue adjustment budget it is critical that the Departments must ensure that all revenue collected by collecting agency and all revenue generating centers from 1st April until end September/October are captured on BAS.
- 11.4 Departments must submit their MTEF revenue budget proposals to Provincial Treasury as per requested date. The bi-laterals with Provincial Treasury will occur as stipulated in the budget schedule; this will also be communicated when TOR is issued. The Accounting Officer must sign off the MTEF budget as agreed during the budget bilateral.

## **12. ATTAINMENT OF REVENUE TARGET BY DEPARTMENT**

- 12.1 It is important to attain revenue target as revenue is appropriated before it is collected and under collection of Departments may lead to a budget deficit in the Province.
- 12.2 The Department should consult with Provincial Treasury through quarterly bilateral where challenges to obtain set target are identified and dealt with.
- 12.3 When challenges with regard to the attainment of the revenue target is identified, Departments are required to submit an action plan on the measures or initiatives to be undertaken to resolve challenges and ensure achievement of revenue target. This plan must be submitted to Provincial Treasury during the adjustment bi-laterals.

## **13. MAXIMUM UTILISATION OF PROVINCIAL ASSETS**

- 13.1 In accordance with chapter 5(38)(1)(d) of PFMA it is the responsibility of the Accounting Officer of all Department to manage, including safeguarding and the maintenance of the assets.
- 13.2 In the light of the above, the Accounting Officer of a Department must ensure that all assets such as state houses, restaurants, tuck-shops and weigh bridges are properly maintained and improved in order to be in a position to generate revenue for the province.
- 13.3 The Accounting Officer of relevant Department must ensure that all Provincial restaurants and tuck-shop are not vacant for more than 6 months.



treasury

Department of  
Treasury  
FREE STATE PROVINCE

- 13.4 It is the responsibility of the Accounting Officer for Department of Public Works that all houses, restaurants and tuck-shops are evaluated prior to leasing.
- 13.5 The SLA or contracts between the Department of Public Works and tenants/lessers must be signed before occupation.
- 13.6 The Accounting Officer of Public Works must ensure that all the tenants are paying for the rentals of state properties and must ensure that their asset register is aligned with the number of state properties leased to tenants.

#### **14. BURSARIES**

- 14.1 All the records for revenue recovered on bursaries must be updated within a week once payments are received.
- 14.2 The monies received by the Departments as a payment for bursaries from bursary holders must be classified as revenue and be deposited to the PRF.
- 14.3 Departments must ensure that the interest and capital amount received from officials and bursary holders are captured and indicated as separate BAS revenue items.

#### **15. ROLES AND RESPONSIBILITIES**

- 15.1 The Accounting Officer of a Department is responsible for the implementation of the Revenue Enhancement Strategy.
- 15.2 Provincial Treasury: Fiscal Policy Directorate will be responsible for the monitoring of the Strategy.

#### **16. POLICY IMPLEMENTATION AND REVIEW**

- 16.1 This policy is effective from ..... 2011.
- 16.2 This policy shall be reviewed before 1 April annually; and
- 16.3 The review will be approved by EXCO.