

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MSCOA IMPLEMENTATION ROAD MAP

INTRODUCTION

Elias Motsoaledi Local Municipality was been selected to be a pilot site for the National Treasury Project: ASSIST WITH THE IMPLEMENTATION OF LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003: MUNICIPAL REGULATIONS ON STANDARD CHART OF ACCOUNTS.

This project was as a result of compliance with the Municipal Standard Chart of Accounts ("mSCOA") as well as with the assistance to National Treasury on the implementation difficulties experienced during the piloting phase.

MUNSOFT is the program which is currently being used at the Municipality as the financial software, which was converted to comply with all the mSCOA requirements.

Definition of mSCOA: A multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.

Objective of mSCOA: To provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transactional level by prescribing a standard chart of accounts for municipalities and municipal entities.

mSCOA is made up of seven unique segments with their respective definitions, namely:

- Project:

"Does the transaction relate to a specific project and if so, what type of project";

- Function:

"Against which function or sub-function should the transaction be recorded?"

- Municipal Standard Classification:

"Against which organizational vote or sub-vote should the transaction be recorded?"

- Item:

"What is the type and nature of the income or expenditure?"

- Funding:

"Against which source of funding is the payment allocated and against which source is revenue received?"

- Regional Indicator:

"Which geographical area is deriving the benefit from the transaction?" - Costing: o "Provides for the redistribution of primary costs between functions?"

- Costing:

"Provides for the redistribution of primary costs between functions?"

PROJECT MANAGEMENT APPROACH

The Project Manager has the responsibility for managing and executing the project according to this Project Plan. The project team will consist of personnel from Municipality's Finance and ICT Directorate, vendors and

other stakeholders. The project manager will work with all resources to perform project planning and implementation. The project manager is responsible for communicating with the respective role players on the progress and performance. Any newly identified Key Performance indicators will be added on an ongoing basis.

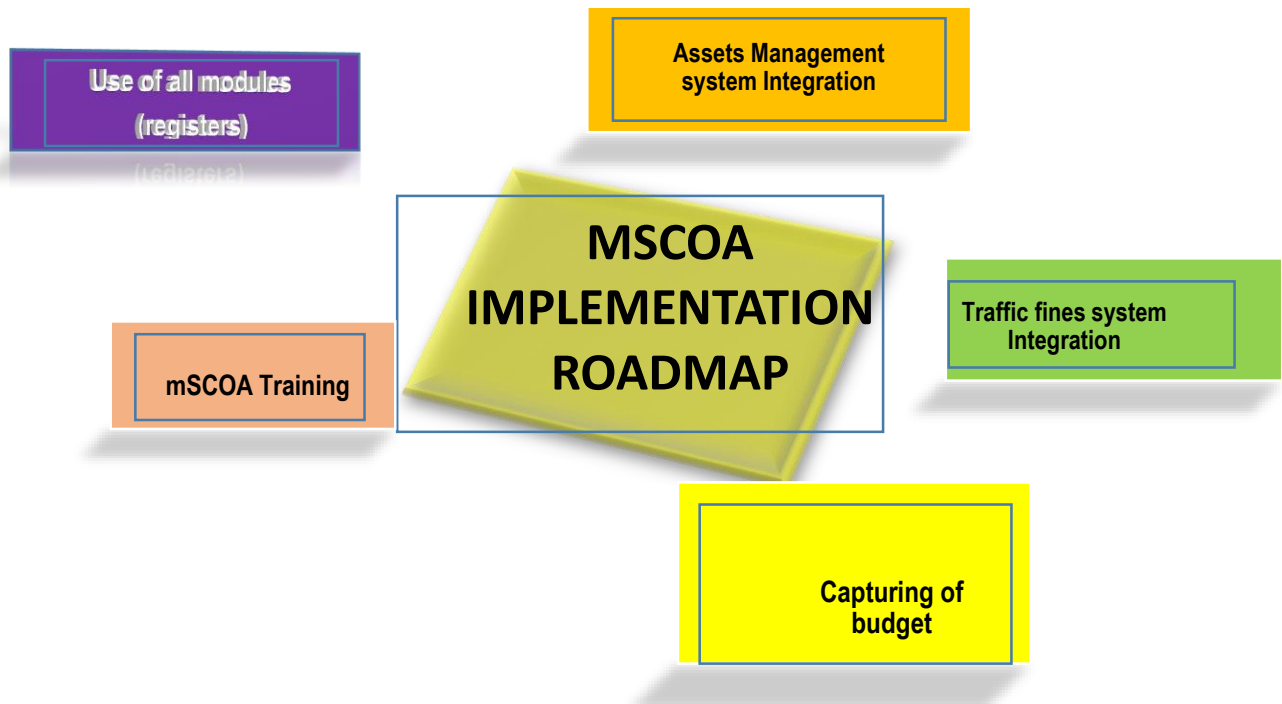
TRAINING

Various training and informative sessions will be held with a select group of officials, directors and managers to ensure that all parties are up to speed with mSCOA.

Users will be provided with detailed training as well as manuals to assist with the integration to mSCOA as and when there is a need.

MILESTONE LIST

This chart is comprised only of major project milestones



The table below lists the major milestones for the Municipality mSCOA Project in detail. Any approved changes to these milestones or dates will be communicated to the project team by the project manager.

Milestone	Description	Date	Status
Assets Management system Integration	Implementation of the assets module as per mSCOA requirements. The municipality decided to make use of asset module on the core financial system. Migration	31 August 2023	In process Officials are attending training

Milestone	Description	Date	Status
	of information to core financial system has been concluded		
Traffic fines system Integration	Traffic Fines system to be mSCOA compliant and seamlessly integrate with the MUNSOFT financial system	30 June 2023	93% complete
Capturing of budget	Budgeting process based on mSCOA segments and breakdowns to be obtained from all role players and manually capture budget per vote.	28 February 2024	Not yet started
mSCOA Training	Overall explanation of mSCOA to the MUNSOFT users (especially assets, revenue and traffic officials)	Ongoing	Started
Use of all register modules	Ability to make use of all modules (registers) on the financial system	Ongoing	Started

MSCOA PROJECT IMPLEMENTATION TEAM

The mSCOA Project Implementation Team for this project is provided below.

Name	Title	Department/Unit	Role
Kgwale M	Mr.	Municipal Manager	Chairperson
Sebelemetja M	Mr.	Finance	Project Manager
Sebelebele U	Ms.	Budget and Reporting	Project Assistant
Mashipa K	Ms.	IT	IT Manager
Mathebe K	Mr.	Risk	Chief Risk Officer
Namane M	Mrs.	Revenue	Project Assistant
Tjjane C	Mr.	Assets	Project Assistant
Mtsweni C	Mr.	Expenditure	Project Assistant
Masilela V	Mr.	SCM	Project Assistant
Coetzee C	Mr.	Public Safety (Traffic)	Manager
Unknown at this stage	Mr.	Asset Management	Project consultant
Diago Morapedi	Mr.	Munsoft	Project consultant

Name	Title	Department/Unit	Role
Neelan Pillay		Syntell (Traffic)	Project consultant

QUALITY MANAGEMENT PLAN

All members of the Elias Motsoaledi Local Municipality mSCOA project team will play a role in quality management. It is imperative that the team ensures that work is completed at an adequate level of quality. The Project Manager is responsible for quality management throughout the duration of the project. The remaining members of the project team will also ensure that all quality standards are complied with and communicate any concerns regarding quality to the Project Manager.

RISK MANAGEMENT PLAN

The approach for managing risks for the Municipality mSCOA project includes a methodical process by which the risk department identifies, scores, and ranks the various risks. Every effort will be made to proactively identify risks ahead of time in order to implement a mitigation strategy from the project's onset. Upon the completion of the project, during the closing process, the project manager will analyze each risk as well as the risk management process. Based on this analysis, the project manager will identify any improvements that can be made to the risk management process for future projects. Risk register to be tabled at section 80 finance meetings from approximately March 2022 on a regular basis. Any newly identified risks will be added on an ongoing basis.

RISK REGISTER

The mSCOA Risk Register is provided in Appendix A, Risk Register.

MEMBERSHIP:

The mSCOA Steering Committee of the municipality should be multi-disciplinary and include members of top management, including the following functions and skills:

- Finance;
- Budgeting;
- Risk management; and
- Human resources.

The mSCOA Steering Committee of the municipality therefore comprise of the following officials:

Name	Title	Department/Unit	Role
Kgwale M	Mr.	Municipal Manager	Chairperson
Sebelemetja M	Mr.	Finance	Project Manager
Sebelebele U	Ms.	Budget and Reporting	Project Assistant

Name	Title	Department/Unit	Role
Mashipa K	Ms.	IT	IT Manager
Mathebe K	Mr.	Risk	Chief Risk Officer
Namane M	Mrs.	Revenue	Project Assistant
Tjjane C	Mr.	Assets	Project Assistant
Mtsweni C	Mr.	Expenditure	Project Assistant
Masilela V	Mr.	SCM	Project Assistant
Mailula P	Mrs.	Internal Audit	Manager Internal Audit

STEERING COMMITTEE MEETINGS:

The mSCOA Steering Committee should schedule formal meetings at least once per month or when there is a need, and compile an agenda and meeting minutes, to be maintained as part of the official project records for review purposes.