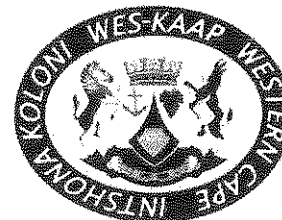


PROVINSIALE TESOURIE • PROVINCIAL TREASURY •  
UNONDYEBO WEPHONDO



Verwysing  
Reference  
Isalathiso

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Navrae  
Enquiries  
Imibuzo

A Pick

**TREASURY CIRCULAR NO. 5/2010**

THE PREMIER

THE MINISTER OF AGRICULTURE  
THE MINISTER OF COMMUNITY SAFETY  
THE MINISTER OF CULTURAL AFFAIRS AND SPORT  
THE MINISTER OF EDUCATION  
THE MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND TOURISM  
THE MINISTER OF HEALTH  
THE MINISTER OF HOUSING  
THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING  
THE MINISTER OF SOCIAL DEVELOPMENT  
THE MINISTER OF TRANSPORT AND PUBLIC WORKS

For information

THE SPEAKER: PROVINCIAL PARLIAMENT  
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

ALL OTHER MEMBERS OF PARLIAMENT

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER) (ACTING)  
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR P WILLIAMS)  
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)  
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)  
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MS P VINJEVOLD)  
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KG HOUSEHAM)  
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS K LUBELWANA)  
THE ACCOUNTING OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MR DP DANIELS) (ACTING)  
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR R ELLIS)  
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR J FOURIE) (ACTING)  
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)  
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR B ROBERTS)  
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS) (ACTING)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR P O'BRIEN) (ACTING)  
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS A SMIT)  
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)  
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)  
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)  
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)  
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)  
THE CHIEF FINANCIAL OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MR D BASSON)  
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)  
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)  
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)  
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)  
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)

THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE PROVINCIAL DEVELOPMENT COUNCIL (MS Y FIRIFREY) (ACTING)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR C SEPTEMBER)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE HOUSING DEVELOPMENT BOARD (MR DP DANIELS) (ACTING)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MS L MEYER)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR A MANZONI)  
THE CHIEF EXECUTIVE OFFICER: CAPE TOWN ROUTES UNLIMITED (DMO) (MR C GILFELLAN)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE CULTURAL COMMISSION (MR J MOLELEKI)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LANGUAGE COMMISSION (MR J MOLELEKI)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE HERITAGE COMMISSION (DR S TOWNSEND)  
THE CHIEF EXECUTIVE OFFICER: CASIDRA (MR T FIFE)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR BOARD (MR B ROBERTS)

THE CHIEF FINANCIAL OFFICER: WESTERN CAPE PROVINCIAL DEVELOPMENT COUNCIL (MR P O'BRIEN) (ACTING)  
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR P ABRAHAMS)  
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HOUSING DEVELOPMENT BOARD (MR D BASSON)  
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD ((MR AA GAFFOOR)  
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR A PRESTON)  
THE CHIEF FINANCIAL OFFICER: CAPE TOWN ROUTES UNLIMITED (DMO) (MR H BONESCHANS)  
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS B RUTGERS)  
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LANGUAGE COMMISSION (MS B RUTGERS)  
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE COMMISSION (MS B RUTGERS)  
THE CHIEF FINANCIAL OFFICER: CASIDRA (MR F VAN ZYL))  
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LIQUOR BOARD (MS M ABRAHAMS)

THE HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)  
THE HEAD: BRANCH FISCAL AND ECONOMIC SERVICES (MR H MALILA)  
THE HEAD: BRANCH GOVERNANCE AND ASSET MANAGEMENT (MR TC ARENDSE) (ACTING)  
THE HEAD: PUBLIC POLICY SERVICES (MR A PHILLIPS)  
THE HEAD: PUBLIC FINANCE (MR H MALILA) (PRO TEM)  
THE HEAD: FINANCIAL GOVERNANCE (MR A REDDY) (ACTING)

THE HEAD: ASSET MANAGEMENT (MR TD PILLAY)  
 THE CHIEF AUDIT EXECUTIVE (MS H ROBSON)  
 THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)  
 THE SENIOR MANAGER: HUMAN RESOURCE MANAGEMENT (MS PG PIEDT)  
 THE SENIOR MANAGER: ACCOUNTING SERVICES: PROVINCIAL GOVERNMENT (MR N VAN NIEKERK) (ACTING)  
 THE SENIOR MANAGER: ACCOUNTING SERVICES: LOCAL GOVERNMENT (MS N OLIPHANT)  
 THE SENIOR MANAGER: CORPORATE GOVERNANCE (MR B VINK)  
 THE SENIOR MANAGER: INTERNAL AUDIT: GOVERNANCE AND ADMINISTRATION CLUSTER (MS B CAIRNCROSS)  
 THE SENIOR MANAGER: INTERNAL AUDIT: SOCIAL CLUSTER (MR M MALULEKA)  
 THE SENIOR MANAGER: INTERNAL AUDIT: ECONOMIC CLUSTER (MR J RADEBE)  
 THE SENIOR MANAGER: BUDGET MANAGEMENT: PROVINCIAL GOVERNMENT (MS M SHERATON)  
 THE SENIOR MANAGER: BUDGET MANAGEMENT: LOCAL GOVERNMENT (MR ML BOOYSEN)  
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (MS A PICK)  
 THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP ONE) (MR G PAULSE)  
 THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP TWO) (MR M SIGABI)  
 THE SENIOR MANAGER: PUBLIC FINANCE POLICY RESEARCH AND MODELLING (MS A PICK) (PRO TEM)  
 THE SENIOR MANAGER: IMMOVEABLE ASSET MANAGEMENT (MR NB LANGENHOVEN)  
 THE SENIOR MANAGER: MOVEABLE ASSET MANAGEMENT (MS N EBRAHIM)  
 THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)  
 THE HEAD: OFFICE OF THE MINISTRY (MS A SMIT)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

## USE OF PROVINCIAL FUNDS TO BUY 2010 FIFA WORLD CUP TICKETS AND T-SHIRTS

### Purpose

1. To inform provincial departments and entities of the implications of using provincial funds to buy 2010 FIFA World Cup tickets and t-shirts for Executives, VIP's and their spouses, and senior provincial officials.

### Discussion

2. It has come to both the National and Provincial Treasury's attention that certain provincial departments are contemplating using public funds to buy 2010 FIFA World Cup tickets and t-shirts for Executives, VIP's and their spouses, and in some instances senior provincial officials. It has thus been deemed opportune to, at this stage, remind provincial departments and entities of the legislative implication of such spending.
3. In this regard, your attention is drawn to Chapter 1, section 2.3, of the Ministerial Handbook:

"Members may not:

- (c) use their position or any information entrusted to them, to enrich themselves or improperly benefit any other person;
- (e) expose themselves to any situation involving the risk of a conflict between their official responsibilities and their financial and/or personal interests;
- (g) make improper use of any allowance or payment properly made to them, or disregard the administrative rules, which apply to such allowances or payments."

4. You are also referred to section 38.(1) of the Public Finance Management Act (Act 1 of 1999) (PFMA) that, in the case of a payment authorised by the Accounting Officer of any department or state entity:

"The accounting officer for a department, trading entity or constitutional institution -

(b) is responsible for the effective, efficient, economical and transparent use of the resources of the department, trading entity or constitutional institution;

(c) must take effective steps to -

(ii) prevent unauthorised, irregular and fruitless and wasteful expenditure and losses resulting from criminal conduct."

5. Furthermore, sub-section 38.(2) of the PFMA stipulates that -

"An accounting officer may not commit a department, trading entity or constitutional institution to any liability for which money has not been appropriated."

6. In addition, section 24.(1)(a)(i) of the PFMA stipulates that

"Only a provincial treasury may withdraw money from a provincial revenue fund (PRF), and may do so only to provide funds that have been authorised in terms of an appropriation by a provincial Act; or as a direct charge against the PRF provided for in the Constitution or a provincial Act."

### Conclusion

7. In view of the requirements of the PFMA, departments must please note that any diversion of funds towards the purchase of World Cup tickets and memorabilia for Executives, VIP's and their spouses, and senior provincial officials, will be considered as irregular expenditure. Accounting Officers who initiate such expenditure will thus be in violation of the PFMA, will be liable for a recovery of the relevant funds, and will have committed an act of financial misconduct in terms of section 81 of the PFMA.

Regards



**SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE  
PROVINCIAL TREASURY**

DATE: 8/03/2010