

Feedback from system vendor Munsoft

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1. Piloting Project Plan

1.1) High level project plan – Piloting municipalities

- Milestones leading up to 1 July 2015
 - ✓ Table changes to accommodate increased field sizes - Done
 - ✓ SCOA Import program - Done
 - ✓ Programs to build SCOA ledger and align old Vote Ledger to SCOA - Done
 - ✓ Migrating programs to transfer 3 years Actuals and Budgets & 5 year draft budgets to SCOA ledger – Done
 - ✓ Financial Report Writer for each Segment – Done
 - ✓ Draft Budget capture based on SCOA – Done
 - ✓ Reporting Portal on all SCOA Segments – Done
 - ✓ Munsoft 5.3 (SCOA Budgeting release) scheduled for end of Sept 2014

1. Piloting Project Plan

- Milestones leading up to 1 July 2015 (cont.)
 - ✓ Munsoft 6.0 (Full SCOA Transaction Functionality) - March 2015
 - ✓ Parallel runs & training at SCOA Pilot sites - Apr through Jun 2015
 - ✓ Live transacting - 1 July 2015
 - Milestones subsequent to 1 July 2015
 - ✓ Municipal Monthly reporting
 - ✓ Report and Data Portal available to NT
 - Significant amendments and changes to milestones
 - ✓ None
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1. Piloting Project Plan

1.3) Municipal pilot involvement and readiness

- Current level of involvement on the part of the pilot municipality
 - ✓ Excellent participation from
 - ✓ Nkangala DM (Alice Stander and the SCOA Project Team)
 - ✓ Elias Motsoaledi LM (Michéle Shaw and the SCOA Project Team)
 - Areas that require immediate remedial action
 - ✓ All local municipality functions (core functions) on SCOA should be provided for as non-core functions for district municipalities
 - ✓ Provision for functions of Social Services (Other Social on GFS) to be added
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1. Piloting Project Plan

1.2) Challenges and inhibiting factors

- Summary of challenges and inhibiting factors
 - ✓ No technical challenges but some SCOA data related challenges
 - ✓ Equitable share – to allow further breakdown into components e.g. health service, free basic services, RSC Levy replacement grant, institutional etc.
 - ✓ Difference between National Departments and National Revenue Fund on grants and subsidies
 - ✓ Allocation of funding
 - ✓ Individual wards per local municipality
 - ✓ Inventory to include WIP
- Proposed remedial measures
 - ✓ NT to relook at the SCOA chart

2. Risk Management

2.1) High level project plan – Piloting

- General risks
 - ✓ Strict time frames
 - ✓ Capacity at municipality
 - ✓ Comparative figures for AFS – Audit opinion.
- Responses in mitigating against the risk
 - ✓ Strictly sticking with project plan
 - ✓ Appointment of additional staff member/external assistance
 - ✓ NT to resolve with AG regarding the restated figures
- Need for an additional meeting with NT outside SCOA ICF
 - ✓ Yes, in order to discuss district municipality challenges

3.1) SCOA classification framework, segments and project documentation

- Any specific matters identified in setting up SCOA classification framework not raised with NT SCOA Project Team
 - ✓ Most have been communicated to the NT SCOA Project Team
 - ✓ Allow wards to be allocated per local municipality
 - ✓ Funding allocation
 - ✓ Costing/project
- What is expected from the NT SCOA Project Team and PT
 - ✓ Feedback on queries raised
 - ✓ Quicker response needed - indication whether it will be considered or not
 - ✓ Training on SCOA formats
 - ✓ Budget return forms aligned to SCOA

4. Vendor Community

4.1) Vendor Community / Current clients

- User groups held to date by vendor
 - ✓ Munsoft User Group - Nov 2014
 - Involvement of non-piloting municipalities
 - ✓ Regular updates sent to all Munsoft Customers
 - Was the NT SCOA Project Team and PT's invited
 - ✓ NT SCOA Project Team will be invited to the Munsoft SCOA Workshop
 - Aspects (agenda items) of SCOA communicated to user group
 - ✓ Pilot sites will give feedback at Munsoft SCOA Workshop
 - ✓ Schedules for upgrades & training to ensure non piloting municipalities' readiness
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4.1) Vendor Community / Current clients (cont.)

- Number of municipalities and officials in attendance
 - ✓ 130 - 150 attendees from all Munsoft Municipalities expected
 - General response from non-piloting municipalities
 - ✓ Mixed responses
 - ✓ Some are keen to be “Early adopters”
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5.1) Municipal accountability cycle – Matters of importance

- Budgeting
 - ✓ Timeous alignment of SCOA with electronic upload forms
 - ✓ Timeous alignment of SCOA with budget return forms and schedules
 - ✓ Prior years' information and linking thereof in alignment with SCOA for budget requirements
 - ✓ Linking financial and non-financial information for budgets
 - ✓ Training
 - ✓ 12 month detailed breakdown
 - ✓ Inline with SDBIP
 - ✓ Scenario Planning
 - ✓ IDP indicators

5.1) Municipal accountability cycle – Matters of importance (cont.)

- In-year reporting framework
 - ✓ Alignment of SCOA with electronic upload forms
 - ✓ Alignment of SCOA with in-year reporting return forms and schedules
 - ✓ Prior years' information and linking thereof in alignment with SCOA for in-year reporting requirements
 - ✓ Training
 - Annual financial statements
 - ✓ Template for compilation of AFS based on SCOA
 - ✓ Treatment of comparative figures by AG
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5.1) Municipal accountability cycle – Matters of importance (cont.)

- General accounting aspects
 - ✓ Consulting with a CA to ensure Munsoft complies with accounting standards
 - ✓ Restatement of prior year figures will require work to journalise to correct votes
 - ✓ Keeping historical information of multi-year projects (operational & capital) together
 - ✓ Testing of transactions once ledger is built

5.2) Matters raised with NT SCOA Project Team

- Matters raised with NT SCOA Project Team: Resolved/Unresolved
 - ✓ Pilot sites in communication with NT on detail needed on function & item levels (emails sent to Johanna)
 - ✓ Munsoft regarding mid tree breakdown at Designation level

5.3) Data / SQL Update

- Responses and feedback if any
 - ✓ None
- Suggestions
 - ✓ Cross reference validation to check that all rows imported correctly

6. Lessons Learnt

6.1) Vendors are requested to share any valuable lessons learnt with the SCOA ICF as part of the SCOA implementation plan

- ✓ Availability to assist pilot sites
 - ✓ Dedicated programming resources
 - ✓ Start with process as soon as possible
 - ✓ Third party vendors should be involved in the implementation of SCOA
 - ✓ Ensure that sufficient capacity available for set-up, alignment, analysing historical information, compilation of in-year requirements
 - ✓ Training of staff in Finance departments
 - ✓ Training/buy in of other stakeholders in municipalities
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