



KWAZULU-NATAL PROVINCE

TREASURY
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY
STANDARD OPERATING PROCEDURE GUIDELINE
ON
VOUCHER CONTROL
AND
DISPOSAL OF
ACCOUNTING RECORDS

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1. PURPOSE

- 1.1 The purpose of this Provincial Treasury Standard Operating Procedure Guideline is to provide uniform processes and procedures relating to Voucher Control and Disposal of Accounting Records.
- 1.2 This Provincial Treasury Standard Operating Procedure Guideline must be read in conjunction with Provincial Treasury Instruction Note No. 11: Voucher Control.
- 1.3 In the event of any inconsistency between this Provincial Treasury Standard Operating Procedure Guideline and any other government legislation, such legislation prevails.

2. DEFINITIONS

In this Provincial Treasury Standard Operating Procedure Guideline, unless the context indicates otherwise: a word or expression, to which a meaning has been assigned in line with the Public Finance Management Act, 1999, (Act 1 of 1999) and the National Treasury Regulations, has the same meaning and: -

“Accounting Officer” means a person mentioned in section 36 of the Public Finance Management Act;

“Archives” means records in the custody of an archive repository;

“BAS” means the Basic Accounting System used by the KwaZulu-Natal Provincial Administration;

“CFO” means the Chief Financial Officer referred to in Chapter 2 of the National Treasury Regulations;

“Delegated official” means an official who has been delegated powers or instructed to perform duties assigned by the Accounting Officer;

“PFMA” means the Public Finance Management Act (Act 1 of 1999);

“Standard Operating Procedure (SOP)” means the method of functioning that has been established overtime to execute a specific task or react to a specific set of circumstances or situation or process. Standard operating procedures document the normal or accepted methodology and help form the basis for evaluating conformance with the regularity framework;

“Treasury Regulations” means the regulations issued by National Treasury in terms of section 76 of the PFMA; and

“Voucher” means a document which serves to vouch for the truth of accounts and gives evidence of revenue and expenditure, or confirms and establishes facts of any kind.

3. LEGISLATIVE FRAMEWORK

- 3.1 In terms of the PFMA, the Accounting Officer must: -
- a) Keep full and proper records of the financial affairs of the department, in accordance with any prescribed norms and standards, as per section 40(1)(a);
 - b) In writing, delegate any powers entrusted or delegated to the Accounting Officer in terms of this Act to an official in that department, as per section 44(1)(a); or
 - c) Instruct any official in that department to perform any of the duties assigned to the Accounting Officer in terms of this Act, as per section 44(1)(b).
- 3.2 In terms of the National Treasury Regulations, paragraph 17.2.1, the Accounting Officer must: -
- a) Subject to the provisions of the relevant national or provincial legislation, retain all financial information in its original form, as follows: -
 - i) Information relating to one financial year-for one year after the audit report for the financial year in question has been tabled in Parliament or the provincial legislature; or
 - ii) Information relating to more than one financial year-for one year after the date of the audit report for the last of the financial years to which the information relates.
 - b) Irrespective of paragraph 17.2.1, specific types of records must be retained and disposed of in terms of paragraph 17.2.3.
- 3.3 This Provincial Treasury Standard Operating Procedure Guideline is issued in terms of Section 18(2)(b) and (i) of the PFMA.

4. VOUCHER CONTROL

- 4.1 Voucher control is a measure to ensure conformity with an organisation's policies, procedures and standards. Accurate and effective voucher control is essential to ensure that all revenue and expenditure transactions have been correctly processed, with the necessary approval and validated supporting documentation. This is an integral part of financial management and control.

5. DISPOSAL OF ACCOUNTING RECORDS

- 5.1 Records with a retention period may be destroyed once the retention period has expired.
- 5.2 A Certificate of Destruction (Annexure C) must be issued for all records disposed of.

6. RETENTION OF FINANCIAL RECORDS

- 6.1 Accounting officers of institutions must, subject to the provisions of the relevant national or provincial legislation, retain all financial information in its original form, as follows: -
- a) Information relating to one financial year, for one year after the audit report for the financial year in question has been tabled in Parliament or the Provincial Legislature; or
 - b) Information relating to more than one financial year, for one year after the date of the audit report for the last of the financial years to which the information relates.
- 6.2 After the expiry of the above retention periods, the information may, if required, be secured in an alternative form that ensures the integrity and reliability of the data. Any information secured in an alternative form must be able to be reproduced, if necessary, as permissible evidence in a court of law.
- 6.3 When financial information is required as evidence in proceedings before Court, Parliament, Provincial Legislature an official inquiry or otherwise, or for purposes of an audit, it must be secured in its current form until no longer required, even if the Provincial Archivist has authorised its disposal.
- 6.4 The following standards apply to the retention of specific types of records as per National Treasury Regulations, Chapter 17.2.3:

Type of Record	Retention Period (years)
General Ledger and cash books and similar records.	15
Main transaction summary records, including: General journals and transaction summaries; Internal audit reports; and System appraisals.	10
Primary evidentiary records, including: Copies of forms issued for value; Vouchers to support payments made; Pay-sheets; Returned warrant vouchers or cheques; Invoices and similar records associated with the receipt or payment of money; and Subsidiary ledgers, including inventory cards and records relating to assets no longer held or liabilities that have been discharged.	5

Type of Record	Retention Period (years)
Supplementary accounting records, including for example: Cash register strips; Bank statements; and Time sheets.	5
General and incidental source documents not included above, including: Stock issue and receivable notes; Copies of official orders (other than copies for substantiating payments or for unperformed contracts); Bank deposit books; and Postal registers.	5

7. COMPLIANCE CHECKLIST

- 7.1 Compliance checklists ensure consistency in application of procedural requirements and financial norms and standards and facilitate compliance monitoring with regulatory requirements, policy and procedural frameworks.
- 72 The compliance checklist, attached as Annexure D, must be implemented or adapted, where applicable, to support departmental requirements.

ANNEXURE A

VOUCHER CONTROL			
No.	Task	Procedure	Responsibility
1.	Safekeeping and Storage of Financial and Accounting Records.	<ul style="list-style-type: none"> • All documents must be forwarded to the delegated official in the designated component for safekeeping. • The delegated official is responsible for the safekeeping of vouchers, including documents stored in the Archives and the keys to the strong-room or designated area. • All financial and accounting records must be stored under lock and key in a secured designated area. • Access must be limited to designated official/s only. 	Delegated official in Voucher Control or designated component.
2.	Roles and Responsibilities of delegated official.	<ul style="list-style-type: none"> ▪ The delegated official in Voucher Control or designated component is responsible for: <ul style="list-style-type: none"> ▪ The safekeeping of vouchers and keys to the strong room or designated area. ▪ The safekeeping of documents stored in the Archives. ▪ Ensuring that no other officials have access to vouchers or keys to the strong room. ▪ Downloading BAS reports monthly once the applicable accounting month has closed. ▪ Ensuring that the copies of the downloaded BAS reports are filed and maintained on a monthly basis. 	Delegated official in Voucher Control or designated component.

		<ul style="list-style-type: none"> ▪ The following BAS reports must be downloaded: <ul style="list-style-type: none"> • Document Control Report; or • Register of Payments; and • List of Journals; and • Register of Receipts. ▪ The Document Control Report must be downloaded from BAS as follows: <p>BAS Main Menu <i>“Reporting, Other Reports, Document Control Report”.</i></p> ▪ The Register of Payments, List of Journals and Register of Receipts must be downloaded from BAS as follows: <p>BAS Main Menu <i>“Business; Creditor Management; Request Reports; Register of Payments” and</i> <i>“Business; Journal Entry Processing; Request Reports; List of Journals per Status” and</i> <i>“Business; Receipts; Request Reports; Register of Receipts”.</i></p> ▪ The delegated official must undertake the following once the applicable BAS reports have been downloaded: <ul style="list-style-type: none"> • Check BAS vouchers against applicable BAS reports to ensure all documents have been submitted. • Ensure all documents submitted have the relevant supporting documents attached. • Check that all payment vouchers are stamped as “Paid”. 	
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		<ul style="list-style-type: none">• Check that all the relevant delegated officials have signed in the appropriate sections.• Check that expenditure has been authorised by the appropriate Responsibility Manager or delegated official.• Once validated, the BAS report/s and attached documents must be filed in alphabetical or numerical order.• Ensure the <i>“Document Control Report”</i> or <i>“Register of Payments”</i> and <i>“List of Journals per Status”</i> and <i>“Register of Receipts”</i> is signed and dated by the compiler and the checker, as delegated.• Store all vouchers in the applicable format in month order.• Ensure all batched documents are clearly labelled for easy reference.• Contact the relevant Responsibility Manager or designated component to resolve matters regarding missing or incomplete documents.• Ensure all outstanding documents or missing or incomplete documents are submitted in the prescribed format.	
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ANNEXURE B

DISPOSAL OF ACCOUNTING RECORDS			
No.	Task	Procedure	Responsibility
1.	Disposal of Accounting Records.	<ul style="list-style-type: none"> • Records with a retention period may be destroyed, once the prescribed retention period has expired. • The delegated official in the designated component must: <ul style="list-style-type: none"> • Determine which vouchers can be destroyed, in line with prescriptive requirements as per Treasury Regulations 17.2.3. • Arrange for the collection and/or shredding of documents by an approved supplier. • Supervise the removal thereof, as applicable. 	Delegated official in designated component.
2.	Issue Certificate of Destruction.	<ul style="list-style-type: none"> • A Certificate of Destruction (Annexure C) must be issued for all records disposed of. • The following information must be completed: <ul style="list-style-type: none"> • Classification; • Number; • Description; and • Period of destroyed records. • The Certificate of Destruction must be signed by the delegated official/s. • The Certificate of Destruction must be submitted to the Director of Archives at the Pietermaritzburg Archives Repository, 231 Pietermaritz 	Delegated official in designated component.

		<p>Street, Pietermaritzburg, 3201.</p> <ul style="list-style-type: none">• A copy of the Certificate of Destruction must be retained for record and audit purposes.	
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ANNEXURE D

**COMPLIANCE CHECKLIST:
VOUCHER CONTROL
AND
DISPOSAL OF ACCOUNTING RECORDS**

VOUCHER CONTROL		Y/N
1.	Documents stored in secured area under lock and key.	
2.	Access restricted to authorised official/s only.	
3.	Documents forwarded to delegated official for safekeeping.	
4.	Voucher control roles and responsibilities undertaken by delegated official.	
5.	BAS reports downloaded monthly and all documents checked and verified.	
6.	Discrepancies investigated and resolved.	
DISPOSAL OF ACCOUNTING RECORDS		Y/N
7.	Documents destroyed as legislated.	
8.	Certificate of Destruction issued for all destroyed documents.	
9.	Copy of Certificate of Destruction retained for record and audit purposes.	
10.	Certificate of Destruction submitted to Director of PMB Archives Repository.	