



dcs&tm

Department:
Community Safety & Transport Management
North West Provincial Government
REPUBLIC OF SOUTH AFRICA



PAYROLL MANAGEMENT POLICY

TABLE OF CONTENTS

1	VISION AND MISSION.....	3
2	BATHO PELE PRINCIPLES	3
3	POLICY OBJECTIVE	4
4	REGULATORY FRAMEWORK.....	4
5	DEFINITIONS AND ABBREVIATIONS.....	4
6	SCOPE	5
7	BACKGROUND	5
8	POLICY	6
9	SALARY INCREASES AND SALARY SCALES	7
10	DEDUCTIONS	8
11	MONTHLY RECONCILIATIONS AND REPORTS.....	8
12	REVIEW OF POLICY	59
13	CONTRAVENTIONS	69

1 Policy Objective

The purpose of the policy is to regulate the Department of Community Safety & Transport Management on processes and procedures regarding payroll management.

This policy will enable officials to:

- Understand the Departmental policy on payroll management
- Prepare monthly payroll returns
- Distribute payrolls and pay slips to different pay points
- Understand the structure of the department and monitor the movement of personnel on the payroll
- Guard against ghosts workers in the department

2 Regulatory framework

This policy derives its mandate from the following legislation and prescripts:-

- 2.1 Constitution of the Republic of South Africa, 1996;
- 2.2 Public Finance Management Act (PFMA) No. 1 of 1999; Sec 76(4)b
- 2.3 Treasury Regulations, 2005; Sec 8.3
- 2.4 Public Service Act No. 93 of 1994
- 2.5 Public Service Regulations, 2001;
- 2.6 Public Service Circulars.

3 Definitions and abbreviations

In this policy, unless the context indicates otherwise:-

"Accounting Officer" means the Head of Department;

"Department" means the Department of Community Safety & Transport Management in the North West Province;

"MEC" means Member of the Executive Council (of the North West Province);

"Official / employee" means a person who —

- (a) has been appointed permanently, notwithstanding that such appointment may be on probation, to a post contemplated in section 8 (1) (a) of the Public Service Act, and includes a person contemplated in section 8 (1) (b) or 8 (3) (c) of that Act; or
- (b) has been appointed on contract in terms of section 8 (1) (c) (ii) of the Public Service Act;

"Pay point" means a cost centre where employees of the Department receive their pay slips and sign the payroll;

"Paymaster" means an official formally appointed to act as a manager of a pay point;

"Payroll" Payroll is a schedule of all officials appointed at a particular pay point and it indicates the amounts that each official received during a specific month.

4 Scope

The policy applies to all personnel remuneration activities carried out at all pay-points of the Department.

5 Background

Section 8.3 of the Treasury Regulations stipulates that:

Par 8.3.3

Unless otherwise determined by the National Treasury, personnel are divided into the following groups for the payment of salaries –

- a) *Group A*: Persons who must be paid on the 15th day of the month, or if it is not a working day, on the last working day preceding the 15th. These include
 - (i) Persons appointed permanently on the fixed establishment and employed in terms of the Public Service Act, 1994; and
 - (ii) Persons appointed on contract.

- b) *Group B*: This group represents personnel paid on the last working day of the month and includes temporary and part-time staff, and persons appointed on probation.

Par 8.3.4

For all employees, the person in charge at the respective pay-points must certify that all persons listed on the payroll report are entitled to payment. People paid by cheque must sign the payroll report when collecting their cheques.

Par 8.3.5

Within ten days of being certified, the payroll report must be returned to the chief financial officer. The accounting officer must ensure that all pay-point certificates have been received on a monthly basis.

6 Policy framework

6.1 The Department shall, in writing, appoint paymaster/pay point managers for each pay point.

6.2 Each official signs on the payroll to acknowledge receipt of their pay slip.

6.3 Each paymaster must review and certify the payroll before the payment date.

6.4 The paymasters must certify and return the pay roll to the Salary section within 10 working days after signing.

6.5 Head count of all departmental employees must be done at least once a financial year.

6.6 All payrolls received from paymasters must be reconciled and exceptions addressed.

7 Review of policy

This policy shall be reviewed at least once a year or as and when required.

8 Contraventions

Any official who contravenes or fails to comply with any provision of this policy will be subjected to disciplinary action.

APPROVED BY:



Head of Department
Ms. Bothale Mofokeng

24/4/18
Date