ASSET MANAGEMENT
(ANNEXURE 2)

Managing Fixed Assets

- Needs analysis from divisions are presented to EXCO and later submitted as part of budget review to Council
- The divisions can only commence with the acquisition of fixed assets once the final budget review has been obtained from Council
- The divisions seeking to purchase fixed assets have to submit their requests to the supply chain unit and the supply chain unit contacts the service providers
- Upon completion of SCM formalities, goods are delivered to ICASA and the supply chain unit communicates this information to the fixed assets team
- The items received are matched with the order information on the JDE system orders. If all is in order, the fixed assets split and allocated fixed assets numbers. Items are physically bar-coded and issued with a unique asset number and this information recorded on the fixed assets register and location database

- Depending on which asset class the asset belongs to, they are assigned useful lives and residual values

- Assessment of residual values is performed on annual basis and where material, new residual values are assigned to each asset in each asset class

- Items identified as obsolete are disposed off once all necessary approvals have been obtained

FINANCIAL SYSTEMS
(ANNEXURE 3)

Current Systems used in Finance

	System/Tool	Description	Scope
1	JD Edwards	ERP system	General Ledger, Supply Chain Management, Accounts Payable, Accounts Receivable and Fixed Assets
2	VIP	Payroll System	Payroll related information
3	Spectrum System	Spectrum System	Spectrum licensees billing and spectrum licensee database
4	Monthly Pack Tool	Month-end reports	In-house tool used for monthly reports
5	Budget Tool	Annual Budget	In-house tool for operating expenses, projects and CAPEX
6	Fixed Assets Location Tool	Provides physical location of assets	Fixed assets movements and locations

New system developments during 2010/11

- Configuration of contract management module in JDE system in order to enable the integration of the contract management module with the procurement module. This will inform Authority on work in progress , milestones achieved to date, how much needs to be paid to service providers based on terms of the contract

- Spectrum database migration to the JDE. This will allow the billing to take place within the JDE system

- Costing system (Activity Based Costing). This will inform stakeholders to know how much it really costs to run ICASA

- Upgrade of fixed assets database from MS-Access platform to SQL and further integration to the JDE Fixed Assets Register

- Currently contracts are sitting outside the JDE system and it is extremely difficult to effectively manage contract performance and commitments as well as ensuring that the terms and conditions of all contracts are met at all times

  - Solution: Contract management module on the JDE system will be implemented in order to address these weaknesses

- Spectrum debtors currently sit outside the JDE and this creates major challenges for the Authority

  - Solution: The accounts receivable module on the JDE system is being customized in order to ensure that all spectrum debtor related information will be sitting on the JDE system. Furthermore, all future billing will also take place on the JDE system

- VIP payroll system currently not integrated to the JDE. This creates challenges when the analysis of staff costs needs to be performed
  - Solution: Authority is looking at acquiring the Oracle Middleware Fusion to enable interface between the VIP system and the JDE system
- ICASA currently does not have automated reporting tools for both monthly reporting and annual reporting. Most of the systems created internally are cumbersome and time-consuming and this has a negative impact on the organisation

CAPEX
(ANNEXURE 4)

CAPEX 2009-2010

Category - Asset	Budget	Actual	Variance	Comment
Computer Hardware	6 220 000	5 451 629	768 371	Completed
Computer Software	2 850 000	2 773 147	76 853	Completed
Furniture & Fittings (items bought 2009 only delivered in 2010)	2 900 000	3 028 686	- 128 686	Completed
Lease-hold Improvements	500 000	435 830	64 170	Completed
Office Equipment	2 103 296	2 860 027	- 756 731	Completed
Technical Assets	8 900 000	8 672 158	227 842	Completed
Grand Total	**23 473 296**	**23 221 477**	**251 819**	

CAPEX:YTD September to Budget 2010/11

Category - Asset	Full Year Budget	Actual	Variance	Comment
Computer Hardware	0	157 074	- 157 074	JDE server upgrade due to capacity
Computer Software	3 900 000	1 669 420	2 230 580	Still in progress enhancements on contract management, Costing system (tariffs determination)
Furniture & Fittings	0	35 793	- 35 793	
Lease-hold Improvements	0	920 678	- 920 678	Relocation costs relating to Durban & PE regional office move;
Office Equipment	0		0	
Technical Assets (incl. MDFS for FIFA WC)	12 810 924	9 886 969	2 923 955	Temporary antennae for the MDFS were fitted due to time constrain and they are now replaced with permanent ones
Grand Total	**16 710 924**	**12 669 934**	**4 040 990**	

6.   Going Forward

- **MTEF**
- **Alignment of ICASA's objectives with government objectives**
- **ICASA Future Performance**
- **Making better use of Technology**

MTEF
(ANNEXURE 5)

MTEF Requirements

Financial Year	2011-2012	2012-2013	2013-2014
Baseline Allocation	313, 378,000	324,797,000	345,709,000
Additional Funding Request: Projects			
1. Market Review -Retail	4,000,000	4,000,000	-
2. Cost Model for Call Termination	3,600,000	2,200,000	-
3. Interconnection - Public pay phones & CST's	4,000,000	-	-
Total : Projects request	11,600,000	6,200,000	-
Additional Funding Request: APEX			
1.IT Infrastructure	4,050,000	2,500,000	1,500,000
2. Systems Integration for Customer Relation and HR	19,200,000	10,320,000	4,450,000
3.Spectrum Management System	10,000,000	-	-
4.Electronic Documentation and Records Management System	2,000,000	3,000,000	-
5.Relocation	15,540,000	4,000,000	2,000,000
6.Replacement of Vehicle and Furniture	9,000,000	3,000,000	2,500,000
7.Broadcasting Monitoring Equipment	20,000,000	-	-
Total : CAPEX request	79,790,000	22,820,000	8,650,000
Total Request - Projects & CAPEX	91,390,000	29,020,000	8,650,000

SUPPLY CHAIN MANAGEMENT
(SEE ANNEXURE 6)

EFFICIENCY, SAVINGS AND PRODUCTIVITY GAINS

(SEE ANNEXURE 7)

Going Forward

- Analysed the impact of the published broadband policy on the sector and regulator is planned for the new financial year

- Corporate governance has been elevated in line with Professor Mervin King's III report

- Austerity budgeting and international budget reduced and Councillors all travel economy class locally

Government Key Priority Areas

- Education

- Health

- Rural Development

- Fighting Crime and Corruption

- Economic Growth

Alignment of ICASA's objectives

- ICASA's mid-term strategic objectives are informed by the following Government objectives:
  - Regulate the communications sector in the public interest
  - Position the communications sector as a sector of choice for local and international investors
  - Achieve universal service and access for disadvantaged individuals and communities
  - Facilitate affordability of a wide range of quality services for consumers
  - Establish and maintain regional, continental and international partnerships in the regulation of the ICT sector
  - Ensure efficient and effective management of scarce resources, including spectrum and numbers
  - Monitor and enforce compliance with the law and the regulations
  - Align the organisational structure and culture with the strategic direction and focus of the Authority
  - Introduce a new regulatory methodology, based on an evidence based approach to regulation.

- The following five strategic goals will drive the direction of ICASA over the next five years:

  1. Liberalisation and promotion of competition in the ICT sector

  2. Monitor, adjudicate and enforce compliance with regulations and the law

  3. Promote Universal Service and Socio-Economic Development

  4. Improve productivity and service delivery

  5. Promote international cooperation

Economic Growth & Revenue Generation

- Conduct Competition Framework Reviews
  - Continue monitoring implementation of Call Termination regulations & follow-through to retail market
  - Commence Local Loop Unbundling project

- License individual Electronic Communication Services (ECS) and Communication Network Services (ECNS)
- Licence new digital broadcasting services
- Develop Regulatory Framework for Next Generation Networks
- Process Numbering Applications
- Issue Frequency Spectrum licences
- Issue Type Approval licences

ICASA Future Performance cont.

- Liberalise and Facilitate Competition in Communications & Postal Sectors
  - Review SAPO's exclusivity period
  - Conduct Tariff Filling Analyses
  - Analyse Regulatory Financial Report
  - Review broadcasting Frequency Plan
  - Review Band Plan
  - Review Radio Regulations
  - Review Number Portability regulations
  - Amend Individual licences
  - Review of Conveyance mail regulations

- Governance & Compliance
  - Review Community broadcasting policy
  - Review Public broadcasting policy
  - Review Compliance Procedure Manual
  - Monitor Local Government Elections
  - Amend Code of Practice for Postal Sector
  - Review Code of Conduct for Licensees
  - Monitor compliance with Licence T&C
    - Postal outlets
    - Broadcasting services
    - Customer Care Standards & Complaints Procedures

- Universal Access & Rural Development
  - Process Consumer Complaints and Adjudication
  - Review End User Subscriber Charter
  - Review Code of Conduct for People with Disabilities
  - Develop Regulatory Framework for Postal Infrastructure
  - Conduct public awareness programs in relation to:
    - Needs of People with Disabilities in communications & postal sectors
    - Career opportunities in the communications and postal sector for youth
    - World Telecommunications Day
    - World Post Day

ICASA Future Performance cont.

- International Cooperation, Trade & Security
  - Secure ICASA submission and representation to multilateral forums:
    - ITU, ATU, CRASA/SAPRA, UPU & PAPU
    - Host/Embark on bilateral fact-finding missions
    - Explore Exchange Programs
    - Facilitate Skills development and transfer
   - Subscribe to relevant international organisations

- Spectrum Management System
  - Currently spectrum assignments and coordination is done manually and there no link with administrative tasks – it is impossible to do certain assignments – no end-to-end view
  - Benefits of a state of the art spectrum management system:
    - Will automate technical analysis and coordination task reducing turnaround by ten folds and making coordination of difficult assignments possible – hence, efficient use of spectrum
    - Workflow to combine administrative tasks, technical analysis and coordination tasks, and financial and approval processes – enabling transparency and reliability and improving turnaround
    - Will enable web interface for spectrum users to making application and to analyse spectrum usage – increasing transparency and streamline application processes
    - Easy incorporation and updates of advanced models to enable proper spectrum planning
    - Direct and online access to spectrum monitoring results for frequency planning and licensing; and Direct and online access to spectrum assignment and licensing records for monitoring and inspection functions
    - Will enable incorporation and facilitate implementation of the new spectrum fees
  - Benefits leading to efficient spectrum management organisation
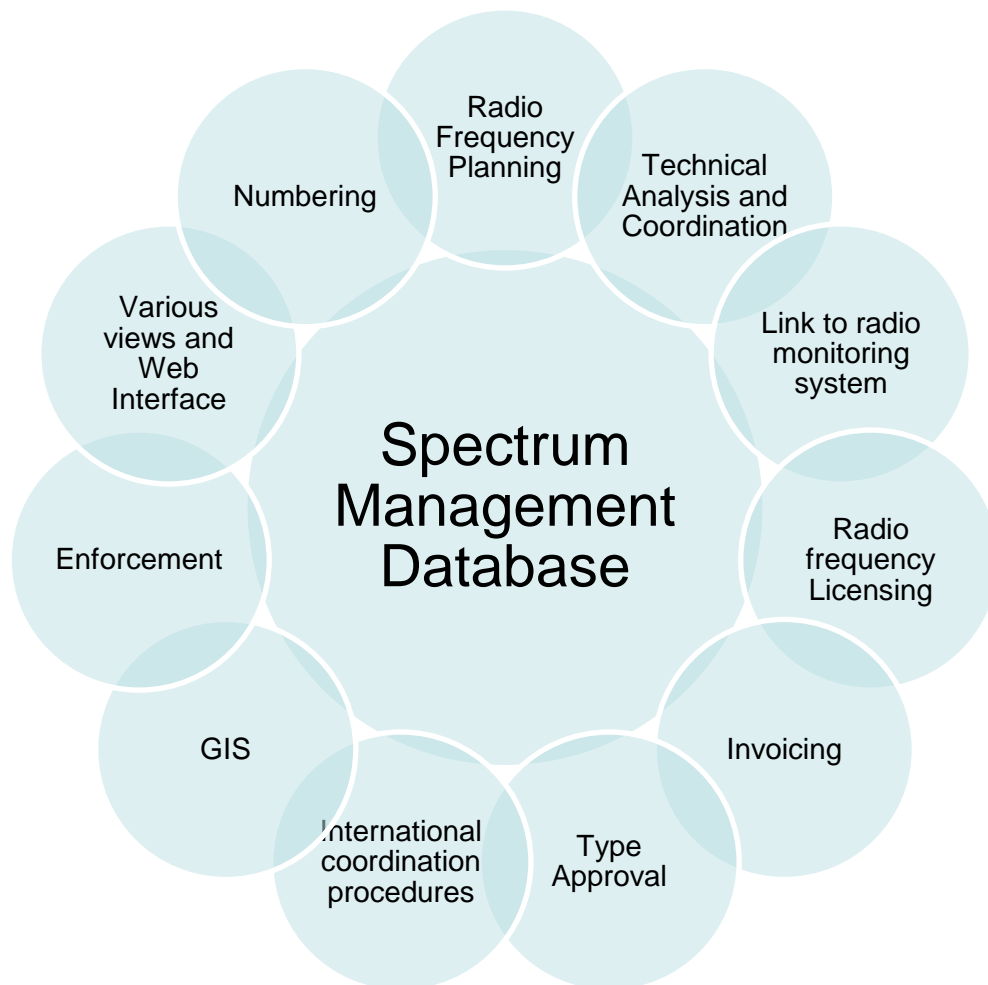
- Customer Relations Management System
  - Repository for licensees' profiles and enable easy access to information
  - Consolidates databases for different applications managing licensees – service licence, spectrum licence, type approval, complaints and financial management
  - Makes call centre efficient

- State of the Art Broadcasting Monitoring System
  - Enable automatic and retrieval of broadcasting content – to assist enforcement

- IT have made significant investments in new servers, disk storage and back up devices.

- ICASA's email system also changed from Novell to Microsoft. This has ensured systems stability, reliability and the ability for email access anywhere at anytime

Thank you

Dankie

Re a leboha

Re a leboga

Siyabonga

Inkomu

Ro livhuwa

Enkosi

NO	Division/BU	Strategic Regulatory Projects – 2010/2011	Deputy chairperson	Chairperson of the committee	Update on the Project
1	L& Licensing	Licensing Commercial Radio	Batyi	Sibanda	Finalising evaluation process. Hearings scheduled for 10 to 26 November 2010.
2	L& Licensing	Universal service & access regulations	Sibanda	Ndhlovu	Discussion document published for comment. Due date 12 November 2010.
3	L& Licensing	Licensing of DTT			Licences issued to SABC, Mnet, e-tv and TBM
4	L& Licensing	Licensing of mobile TV	Sibanda	Batyi	Done
5	L&C	Regulations on Local Government Elections	Ndhlovu	Socikwa	Draft regulations were sent to legal unit for vetting
6	L&C	Compliance manual	Batyi	Makhakhe	It is planned to finalise the regulation by 31 December 2010
7	M&C PDRD	Enquiry for services without frontiers &VoD	Sibanda	Nkuna	Done
8	M&C PDRD	Ownership & Control	Lebooa	Socikwa	Draft regulations were sent to legal unit for vetting
9	M&C PDRD	Digital Dividend	Batyi	Currie	Ongoing analysis of potential uses of spectrum freed by Digital Dividend
10	M&C Analysis	Competition framework regulations – call termination regulations	Sibanda	Makhakhe	Final Regulations approved by Council for publication week beginning 25 Oct 2010.

NO	Division/BU	Strategic Regulatory Projects – 2010/2011	Deputy chairperson	Chairperson of the committee	Update on the Project
11	M&C Analysis	Competition framework regulations – LLU regulations	Currie	Makhakhe	Completion planned for current financial year although policy points to November 2011. Industry workshop planned for Nov/Dec2010
12	M&C Analysis	Competition framework regulations – Competition in Broadcasting Sector	Lebooa	Batyi	
13	M&C Analysis	Interconnection	Makhakhe	Batyi	Done
14	M&C Analysis	Facilities leasing	Makhakhe	Batyi	Done
15	M&C Analysis	Review of handset subsidy regulations	Almost done Batyi		Almost done submission will be tabled to Council before end of November
16	M&C Num. Econ.Fin	Regulatory framework for financial reporting		Sibanda	Almost done Hearings held. Regulations revised. Final regulations to be published by end of Oct/beginning of Nov 2010.
17	M&C Num. Econ.Fin	Review numbering regulations	Batyi	Makhakhe	Draft final regulations awaiting Legal vetting. Publication planned for calendar year 2010.

NO	Division/BU	Strategic Regulatory Projects – 2010/2011	Deputy chairperson	Chairperson of the committee	Update on the Project
18	M&C Num. Econ.Fin	Carrier pre-selection	Makhakhe	Batyi	Done
19	E&T	Spectrum fees regulations	Lebooa	Sibanda	First phase regulations finalised. Draft for broadcasters published for comments. Workshop planned for end of year.
20	E&T	Licensing high demand bands	Currie	Socikwa	Awaiting decision of the Bid Adjudication Committee.
21	E&T	Astronomy Geographic Advantage Areas	Batyi	Lebooa	This is an ongoing matter we are assisting the Minister of S&T with the SKA project. ICASA concurred with the Minister of S&T in declaring the core
22	E&T	Review of frequency plan – needs to be reviewed	Lebooa	Batyi	Project hasn't commenced yet.
23	E&T	Radio regulations and Spectrum Regulations	Makhakhe	Socikwa	Draft regulations were published. Awaiting comments from the sector.

NO	Division/BU	Strategic Regulatory Projects – 2010/2011	Deputy chairperson	Chairperson of the committee	Update on the Project
24	E&T	Spectrum co-ordination – Licensing regime	Sibanda	Socikwa	Draft regulations were published. Awaiting comments from the sector.
25	E&T	Spectrum co-ordination– Assignments Policies & Procedures	Sibanda	Socikwa	Draft guidelines have been completed.
26	E&T	Type Approval Regulations	Makhakhe	Ndhlovu	A committee has been formed
27	CAD	Review CAP Regulations	Batyi	Ndhlovu	Draft regulations published awaiting written comments by 01 November 2010
28	CAD	Review of E-rate regulations		Socikwa	Final regulations on hold pending amendment of the ECA.
29	CCC	Complaints and Compliance Regulations	Ntombela	Van Rooyen	Done
30	Council	Consumer Protection Act	Ndhlovu	Sibanda	Committee just established. Project plan to be drawn up by end of October 2010.

101