



**A U D I T O R - G E N E R A L**  
**S O U T H A F R I C A**

*Auditing to build public confidence*

2017/18 - SCM & Procurement

121209 PECOM (AW)

Significant findings from the audit outcomes that require monitoring:

(3)

Auditee	Supply Chain Management	Predetermined objectives	HR	Financial Management/ compliance	IT
<p><b>Department of Communication</b></p>	<ul style="list-style-type: none"> <li>Senior management should take responsibility to ensure compliance with SCM requirements.</li> <li>Continuously monitor compliance to SCM requirements to ensure due processes are followed.</li> <li>Senior management should be held accountable for non compliance with SCM requirements</li> </ul>	<ul style="list-style-type: none"> <li>No immediate matters to follow up.</li> </ul>	<ul style="list-style-type: none"> <li>All leadership to fully support the clean audit commitment. (Tone from the top)</li> <li>Prioritise and fill critical positions.</li> <li>Assess the effectiveness of the performance management system.</li> </ul>	<ul style="list-style-type: none"> <li>Senior management to monitor and review the day to day financial activities to ensure accurate daily and monthly financial information.</li> </ul>	<ul style="list-style-type: none"> <li>Approve and implement an IT governance framework.</li> <li>Monitor the effectiveness of IT systems</li> </ul>

Auditee	Supply Chain Management	Predetermined objectives	HR	Financial Management/ compliance	IT
<p><b>Public entities</b></p> <ul style="list-style-type: none"> <li>○ USAASA/USAF</li> <li>○ Nemisa</li> <li>○ SAPO</li> <li>○ SABC</li> <li>○ Sentech</li> <li>○ Icasa</li> </ul>	<ul style="list-style-type: none"> <li>• Senior management should take responsibility to ensure compliance with SCM requirements.</li> <li>• Continuously monitor compliance to SCM requirements to ensure due processes are followed.</li> <li>• Senior management should be held accountable for non compliance with SCM requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Accounting authorities should ensure targets meet the SMART principles.</li> <li>• Senior management should take responsibility to ensure performance information reported on, is reliable.</li> <li>• Senior management should be held accountable for reporting unreliable information.</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritise the filling of critical leadership positions</li> <li>• Leadership to fully support the clean audit commitment. (Tone from the top)</li> </ul>	<ul style="list-style-type: none"> <li>• Senior management should take responsibility to ensure compliance with applicable laws and regulations.</li> <li>• Instill a discipline of continuously monitoring compliance with laws and regulations.</li> <li>• Senior management should be held accountable for repeat non compliance findings</li> <li>• Senior management to implement and monitor an action plan that will resolve current qualification areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Approve and implement an IT governance framework.</li> <li>• Monitor the effectiveness of IT systems</li> </ul>