



## Annexure A Measures to decrease fruitless & wasteful and irregular expenditure



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Transnet made a commitment in the 2013 financial year to prevent/reduce irregular expenditure by embarking on various initiatives to achieve a sustainable solution:

- 14 such initiatives were undertaken in the 2013 financial year, of which eight were completed;
- Of the six initiatives carried over to the 2014 financial year, three were completed; and
- Five new initiatives were undertaken in the 2014 financial year, 1 is completed.

Number	Initiative	Status
1.	Updating PFMA policy and guideline.	Completed
2.	Roll out of PFMA training to all Operating Divisions. <i>Ongoing training and support is given to all new PFMA champions.</i>	Completed
3.	Inclusion of PFMA training in new employee induction.	Completed
4.	Presentation to Operating Division Exco members.	Completed
5.	Migration of PFMA from Cura system to SAP GRC <sup>1</sup> . <i>SAP GRC system feasibility study results indicate non suitability , other systems / solution is being considered.</i>	On track
6.	Additional data analytic indicators developed.	Completed
7.	Development and implementation of PFMA online training and accreditation. <i>Development completed and implemented. Accreditation rolled out to all Exco and Extended Exco members, all other manager levels in progress for completion in November 2014, and non manager levels thereafter.</i>	On track
8.	PFMA Control self assessment. <i>Development completed and circulated to Operating Divisions for OD control description.</i>	On Track
9.	Training on standard operational procedures.	Completed
10.	Development and implementation of supplier integrity pacts.	Completed
11.	Forensics and procurement training on procurement related violations.	Completed
12.	Fraud resistance assessments and compliance checks.	Completed
13.	Forensics data analytics.	Completed
14.	Knowledge sharing with other Public Entities.	Completed

Notes:

1. SAP GRC is the software utilised to manage Governance, Risk, and Compliance





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15.	Activation of SAP request for quotation functionality across all Operating divisions. <b>Business Case prepared and approved, Tender advertised and evaluation process in progress.</b>	On track
16.	Developing and implementing contract lifecycle management system. <b>Contract Lifecycle Management system upgraded and migration of all contracts completed.</b>	On track
17.	Implementing data quality improvement project for vendor, material and service master data clean ups.	On track
18.	Improvement to data analytics reporting system for Procurement transparency and effectiveness.	On track
19.	Compliance review by TIA <sup>2</sup> on adequacy of implementation of Delegations of Authority on SAP system.	Completed

Notes:

2. TIA is Transnet Internal Audit

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