
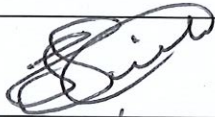



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| Standard operating procedures on the lost, damaged or stolen assets | |
| SOP COMPILED BY: | Mike Khakhathiba |
| | Financial Manager |
| |  |
| SOP OWNER: | Finance Department |
| SOP ISSUE NUMBER: | 2 |
| SOP EFFECTIVE DATE: | 10 May 2022 |

| VERSION CONTROL | | | | | |
|--|---------|----------|-------------|------|---|
| SECTION | VERSION | REVISION | DATE | PAGE | REASON FOR CHANGE |
| Asset not confirmed during asset count | 2 | 1 | 10 May 2022 | 4 | Deliberate loss of entity assets and failure to report them timely. |

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| SIGNATURES | RECOMMENDED BY: |
| NAME/JOB TITLE | Ikalafeng Diale – Chief Financial Officer |
| SIGNATURE |  |
| DATE | 11/05/2022 |

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| SIGNATURES | APPROVED/AUTHORISED TO ISSUE BY: |
| NAME/JOB TITLE | Thamsanqa Mdontswa – Chief Executive Officer |
| SIGNATURE |  |
| DATE | 12/05/2022 |

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1. BACKGROUND/PURPOSE

The purpose of this Standard Operating Procedure (SOP) is to:

- Highlight the important and practical aspects of claims regarding moveable assets allocated to staff, board and other sub-committee members which have been lost, damaged or stolen, and to also bring into effect the governing PFMA aspects.
- Also bring into practical effect paragraph 2.10.13 of the approved Finance Policy.

2. SCOPE

- This SOP applies to all SASSETA staff members, as well as members of the Accounting Authority and sub-committee members allocated tools of trade or SASSETA assets.

3. STRATEGY

- The SOP is set to develop and cultivate a clear guideline regarding lost, damaged, or stolen items where staff member is involved and impacted.
- Responsibility of assets is a primary focus of SASSETA, and incidents need to be dealt with in a structured and impactful manner to ensure minimum disruption in key performance indicators.

4. ADHERENCE TO THE PUBLIC FINANCE MANAGEMENT ACT (PFMA)

- This SOP will ensure that SASSETA complies with the disclosure requirements in terms of PFMA's requirements on safety and securing of entity assets as follows:
 - i. Public Finance Management Act no.1 of 1999 Section 50 (1) (a): Fiduciary responsibility of the Accounting Authority or delegated authority to ensure reasonable protection of the assets and records of the public entity.
 - ii. Public Finance Management Act no.1 of 1999 Section 57 (e): An official of the public entity is responsible for the management, including the safeguarding of the entity assets.

5. INCIDENT REPORT

- The incident of asset damage or lost must be reported to the nearest police station as soon as practically possible (i.e., within 24 hours unless the member affected has been injured, traumatized or incapable or reporting the matter for any other sound reason).
- Photos must be taken of the incident or damage that resulted in the incident.
- Obtain a copy of the CAS number and affidavit from the police station.
- The CAS number, affidavit and photos must be send to SASSETA Information and Communication Technology (ICT) department in case of computer equipment and to the Auxiliary department in case of motor vehicles.
- Accident report (AR) is compulsory where SASSETA motor vehicle was involved in an accident.

6. FINANCE DEPARTMENT LINK

- All incidents reported to ICT and/or Auxiliary will be communicated to Finance by the ICT or Auxiliary personnel. Communication to Finance will also include supporting annexures such as CAS number, photos, accident report and any other pertinent information.
- The Finance department's responsibilities will be as follows:
 - i. To liaise with the insurance company;

- ii. Send the insurance claim form to the person responsible to complete;
- A completed claim form along with the CAS number, affidavit or accident report and photos will be emailed to the insurance company contracted by SASSETA.
- Once the claim has been assessed and approved, Finance personnel would liaise with a Supply Chain Management official to obtain a quotation of a similar asset and provide it to the insurance company.
- Both rejected/approved claims will also be communicated to the department and employees concerned.
- Finance personnel will provide proof of banking details to the insurance company for the settlement amount to be paid into.

7. TOOLS OF TRADE

- Staff members will also be eligible to the following tools of trade or items to discharge their functions effectively and efficiently:
 - i. Laptop or iPad
 - ii. Right of use of SASSETA vehicles
- All tangible assets will remain the property of SASSETA until formally disposed through approved processes.
- Such items should be returned to SASSETA upon expiry or termination of employment or committee term, unless formally disposed through a formal process.

8. ASSETS NOT CONFIRMED DURING ASSET COUNT

- Moveable asset items such as laptops, voice recorders, external hard drives, and any other miscellaneous items necessary to conduct the SETA business, are specifically allocated to individual staff members.
- The Fixed Asset Register (FAR) keeps a record of all allocated asset items. The FAR links the allocated asset item/s to an individual staff member through a unique barcode.
- Subsequent movement of such asset items is guided by a signed asset movement form.
- During an asset count exercise (i.e., notice to all staff members will be sent via e-mail by MARCOM), employees will be requested to produce all assets allocated to them. This will assist with the physical verification (existence) as well as the asset condition (valuation) confirmation.
- Failure to produce proof of existence of allocated assets by cut-off date, other than cases where the procedure in paragraph 6 above applies, will be treated as follows:
 - i. A replacement cost of the asset in question will be used to determine the value of the debt (i.e. replacement cost is the amount that the insurance would ordinarily have incurred to replace the asset in question).
 - ii. A report detailing the employee/s affected and the value in question will be signed off by the Chief Executive Officer and submitted to the Human Resources Management department.
 - iii. Paragraph 2.16.7 of the Finance Policy regarding the 12 months and the signed debt agreement will not apply, implications being that such a debt will be extinguished in the next payroll date provided it does not exceed 25% of the monthly gross income of the affected employee.
 - iv. Should the value of the debt be more than 25% of the monthly gross income of the employee a debt recovery period will be limited to a maximum of 4 months.

9. REVISION

- The SOP shall be revised annually, if necessary or at the emergence of newly available information.