
MATATIELE LOCAL MUNICIPALITY

BANKING AND INVESTMENT POLICY IMPLEMENTATION GUIDE



For the sake of verbal economy, the following abbreviations are used throughout the guide:

MM	=	Municipal Manager
CFO	=	Chief Financial Officer
Acct (Exp)	=	Accountant (Expenditure)
Acct (Rev)	=	Accountant (Revenue)
HoD	=	Head of Department
SCMU (SM)	=	Supply Chain Management Unit (Stores Management Official)
SCMU (PO)	=	Supply Chain Management Unit (Procurement Official)

DELEGATIONS		
DELEGATED BY	DELEGATED TO	DUTY, POWER, RESPONSIBILITY
Council	CFO	Implementing investment policy
MM	CFO, HoDs	Collection of revenues due to municipality
MM	CFO	Making payments to creditors (including salaries) and determining directives in regard to such payments
MM	CFO, HoDs	Management of inventory
MM	CFO	Preparation and management of cash flows and reporting thereon as required
MM	CFO	Management of bank account(s) but excluding appointment of signatories, decision on when to open bank account, and invitation of tenders for banking services
MM	CFO	Raising of debt, with prior approval of council
MM	CFO	Management of buying contracts
MM	HoDs	Management of building, engineering, other civil contracts
MM	CFO	Setting guidelines and procedures for banking of all receipts

IMPLEMENTATION OF BANKING AND INVESTMENT POLICY		
RESPONSIBILITY	OFFICIAL PRIMARILY RESPONSIBLE	OTHER OFFICIAL(S) RESPONSIBLE
Collecting monies due and banking receipts daily	CFO } HoDs	Acct (Rev) Designated officials
Payments to creditors including salary-related payments	CFO	Acct (Exp)
Preparing and amending directives on such payments, including payment methods to be used	CFO	-
Preparing and amending directives on management of inventory	CFO	
Reviewing inventory levels and reporting to CFO on obsolete and redundant inventory	HoDs } SCMU (SM)	Designated officials -
Preparing, revising and reporting on cash management programme	CFO	Assisted by Acct (Exp) with any required information to be furnished by HoDs
Making, managing and liquidating all investments and reporting on such investments	CFO CFO	Assisted by Acct (Exp) Acct (Exp)
Control over investment documentation, including safeguarding of such documentation and maintaining investment register		

IMPLEMENTATION OF BANKING AND INVESTMENT POLICY (CONTINUED)		
RESPONSIBILITY	OFFICIAL PRIMARILY RESPONSIBLE	OTHER OFFICIAL(S) RESPONSIBLE
Making investments with tenure extending beyond 12 months	CFO after obtaining advice from bankers and/or investment adviser(s), and with prior approval of council	-
Opening bank accounts	MM	In consultation with CFO
Appointing authorised signatories and reporting on signatories	MM	In consultation with CFO
Inviting tenders for new banking services	MM	In consultation with CFO
Raising of debt	CFO with prior approval of council	-
Ensuring resources accumulated to service debt in accordance with Part 10 of policy	CFO	-
Accounting for interest on investments	CFO	Acct (Exp)
Management of buying contracts	CFO	SCMU (PO), Acct (Exp)
Management of other contracts	HoDs	Designated officials, Acct (Exp)

IMPLEMENTATION OF BANKING AND INVESTMENT POLICY (CONTINUED)		
RESPONSIBILITY	OFFICIAL PRIMARILY RESPONSIBLE	OTHER OFFICIAL(S) RESPONSIBLE
Preparing and approving Code of Practice (Annexure III)	MM, CFO	-
Implementing Code of Practice	CFO, HoDs	Acct (Exp), Acct (Rev) SCMU (SM), Designated officials