Mogale City
Local Municipality

ITEM NO:
REPORT: Report on *m*SCOA Implementation Road Map
National Treasury:

REPORT OF THE DEPARTMENT OF FINANCE (BUDGET & TREASURY)
1. PURPOSE OF THE REPORT

The purpose of this report is to provide the National Treasury with a road map for the implemention the *m*SCOA project. This initiative, *m*SCOA is mandated by the National Treasury through the promulgation of Gazette No. 37577, aims to standardise the chart of accounts across all municipalities, with full implementation required by 1 July 2017.

2. BACKGROUND

"Standard Chart of Accounts" is defined as a multi – dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.

3. DISCUSSION

Mogale City has been transacting in accordance with *m*SCOA requirements as mandated by National Treasury since 1 July 2017. The table below outlines road map established milestones for the period ending 31 March 2025
The following table highlight milestones achieved by end of first quarter. **Annexure A National Treasury Data Strings Dashboard**.

Description	Status	Frequency	Mitigation
o Creditors and Debtors Aging	Up to date	Monthly	None
o Income and Expenditure	Up to date	Monthly	None
o PAUD, RAUD, and AUDA	Up to date	Annually after the completion of the AFS	None.
o PRAD and ADJB	Up to date	Annually	None
o PRAT and TABB	Up to date	Annually	None
o PROR and ORGB	Meetings with National Treasury advisor	Annually	None

REPORT

The table below outlines and summarizes the key milestones reached in the successful delivery of the project. Most of the milestones have been completed and are now fully operational within the system.

Description	Status		Status	Comment
	Planned Start Date	Planned End Date		
MILESTONE 1 - Project Planning & Project Kick-Off.	October 9, 2023	October 31, 2023	Completed	100%
MILESTONE 2 - Munsoft IFMS Hardware and Software Deployment	October 16, 2023	October 31, 2023	Completed	100%
MILESTONE 3 - Disaster Recovery Deployment	October 16, 2023	October 30, 2023	Completed	100%
MILESTONE 4 - MUNSOFT Conectivity Deployment	February 1, 2024	April 16, 2024	Completed	100%
MILESTONE 5 - IFMS Training.	October 17, 2023	April 30, 2024	Completed	100%
MILESTONE 6 – Data Conversion see Annexure B	February 1, 2024	April 30, 2024	Completed	100%
MILESTONE 7 - IFMS Go-Live.	March 8, 2024	May 28, 2024	Completed	100%
MILESTONE 8 - MUNSOFT eService Deployment	March 11, 2024	May 10, 2024	Completed	100%
MILESTONE 9 - Reporting Deployment.	March 11, 2024	April 15, 2024	Completed	100%
MILESTONE 10 - HR/PAYROLL DEPLOYMENT see Annexure B	November 13, 2023	May 31, 2024	In progress	99%
MILESTONE 11 - Performance Management	August 28, 2024	October 31, 2024	Completed	100%
MILESTONE 12- Vendor Integration	November 22, 2023	August 22, 2024	In progress	91%
MILESTONE 13 - Project Prioritisation and Management (Project Accounting)	November 22, 2023	June 17, 2024	Completed	100%
MILESTONE 14 - mSCOA Readiness	November 22, 2023	June 17, 2024	Completed	99%
MILESTONE 15 - Indigent Management	July 11, 2024	October 18, 2024	Completed	100%
MILSTONE 16 - Project Closure	May 6, 2024	May 9, 2024	Planned	0%

4. WAY FORWARD

The following are key milestones planned for the new financial year:

4.1. Milestones, During the last quarters, several *m*SCOA alignment corrections were addressed, including adjustments to revenue quick codes, salary control accounts quick codes, depreciation, and grants journals. However, further alignment is still required for the salary control account codes to ensure full compliance with *m*SCOA data string reporting requirements.

4.2. Systems Integration,

a. Integration between the financial management system and the payroll system (Payday) has been implemented to ensure that salary costs are accurately posted and aligned with *m*SCOA classification requirements. The municipal team is currently focused on verifying and enhancing compliance of all related transactions with the *m*SCOA classification framework.

b. Integration between the IMQS asset management system and the Munsoft financial system has been successfully completed, enabling seamless transaction processing and data exchange between the two systems."

c. Billing integration, CATS billing system has been integrated, allowing meter readings to be captured and automatically uploaded into the system for billing purposes

4.3. Training Refresher training for staff is ongoing, facilitated by the newly appointed system provider. This training is primarily delivered through on-the-job sessions, tailored to operational needs, with additional support provided as required. The municipality has weekly meetings with system provide to iron out any unresolved issues.

5. IMPLICATIONS

5.1 Financial Implications

Actual cost are as budget in the 2025/ 2026 financial year.

5.2 Legislative Implications

To implement and standardise the chart of accounts in all municipalities as of 1 July 2017 in

terms of Gazette No 37577.

5.3 Human Resources Implications

Mogale City team, MUNSOFT and PayDay team, IMQS team

5.4 Business Risks Implications

Mogale City team, MUNSOFT and PayDay team, IMQS team

6. STAKEHOLDER CONSULTED

EM: Corporate Support Services – Project Owner

Chief Financial Officer – Project Sponsor

7. CONCLUSION

During third quarter of the financial year 2024/2025, required monthly, quarterly and annual *m*SCOA data strings were uploaded successfully.

8. RECOMMENDED:

8.1. That the report on the road map implementation of municipal Standard Chart of Accounts (*m*SCOA) for the 2025/2026 financial year be noted.

8.2. That the attached National Treasury status report on *m*SCOA implementation for the until March be noted.

8.3. That the attached progress on Mogale City Project Plan developed by Mogale City and MUNSOFT for the implementation of the Enterprise Resource Planning (ERP) system be noted.

BINANG MONKWE
CHIEF FINANCIAL OFFICER

DATE: 2025/06/10

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REPORT

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Annexure A National Treasury Data Strings Dashboard

MSCOA - Summary - Upload and Segment Validation

Green = correct (Phase 2), Yellow = Segment errors (Phase 2), Orange = Submitted with Error (Phase 1), Red = Outstanding, Blank = N/A

ADJB and PRAD: Not required to submit ADJB and PRAD if no adjustments are done, if ADJB submitted but not PRAD then PRAD shows as Projected months on the budget forms are temporarily not validated on (Charges and Recoveries Balance) and (Trial Balance) errors

Financial Year

	2023	2024		2025								2026			
	RAUD	PAUD	AUDA	ORGB	PROR	ADJB	PRAD	M01	M02	M03	M04	M05	M06	M07	M08	M09	TABB	PRTA

Mogale City