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ZIMBABWE

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Ministry of Education, Sport and
Culture

P.O. Box CY 121

Causeway

Zimbabwe

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FINANCE CIRCULAR NO. 2 OF 2000

Distribution

Heads of Divisions

Regional Directors

Heads of Sections, Head Office

PUBLIC FINANCE MANAGEMENT SYSTEM(PFMS)

The Public Finance Management System (PFMS) which is run on the System Application Products(SAP) software started operating in the Ministry at the beginning of January 2000. The overall objective of this system is to implement an efficient computerised accounting and financial management system which will lead to the following benefits:

- Increasing the Ministry's ability to control and monitor expenditure and receipts efficiently and effectively.
- Increasing internal control and for eventing fraud.
- Increasing the Ministry's ability to access information, the budget outcome and preventing unauthorised excess expenditure.
- Standardising the accounting analysis of transactions and to enable comparisons across Regions, Divisions and Sections and between periods and to meet professional reporting standards.
- Production of prompt and accurate reports for budgets, actual expenditure and committed expenditure at all levels and tailored to suit the needs and responsibility of each user.
- Addressing the control and issuing of purchase orders(commitment accounting) according to the availability of unspent and uncommitted budget resources.
- Integrating the budgetary, expenditure and cash flow management systems.
- Reducing administrative overheads and thus enabling staff to concentrate on analysis rather than transactional issues. This implies a focus on the present and future as opposed to reconciling and reporting on the past.
- Providing simple and easy to use interfaces.

MINISTRY OF EDUCATION, SPORT AND CULTURE
PUBLIC FINANCE MANAGEMENT SYSTEM

PROGRAM FOR THE MONTH OF FEBRUARY 2000

	<u>TIME</u>	<u>DATE</u>
1. Transfer of funds to Ministry PMG Account		1Feb
2. Final in put for Mid-month payments-closing day for regions	1200	10 Feb
3. Final in put for Mid-month payments Head Office		11 Feb
4. Journals		25 Feb
5. Banking Journals for deposits		25 Feb
6. Final in put for month-end payments-closing day for regions		25 Feb
7. Final in-put for month-end payments-Head Office		28 Feb
8. Mid-month cheques run		14 Feb
9. Month-end cheques run		29 Feb



R.T. Madamombe
DIRECTOR - FINANCE

For: SECRETARY FOR EDUCATION, SPORT AND CULTURE

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The system began with the creation of separate Paymaster General's Account and Exchequer Account for the Ministry at the Reserve Bank. Creditors will now be paid directly by the Ministry. Like any new projects, the system experienced some teething problems, the first of which is the lack of P.T.C. network facilities to connect Marondera, Mutare, Masvingo and Gwanda. These Regions have to travel to Harare or the nearest region to capture their income and expenditure data. We have been advised that this problem will be sorted out by end of February 2000. The next problem had to do with the shortage of computers and printers at Head Office and at the Regional Offices. These have been ordered and will be supplied as soon as possible. The initial delay in the payment of creditors has now been overcome and cheques are being despatched.

All Regional Offices and Sections have been advised of their monthly expenditure targets up to December 2000. These have been captured on the computer and users can view or print them. It is extremely essential that commitments be made in accordance with these targets. Managers are expected to plan ahead and match their expenditure plans with these targets. At the beginning of each month the Treasury transfers into the Minister's PMG Account the total amount of the monthly target which cannot be exceeded. Any applications to change monthly targets must be made in good time to enable the Ministry, in turn, to apply for Treasury Authority and the release of the money into our PMG Account. No commitments should be made in anticipation of the Treasury Authority.

At the beginning of each month we shall issue the computer programme for the month indicating the closing dates for the various transactions. Data capture should be done on regular basis to avoid last minute capture of vouchers and journals. Hopefully it shall be possible for the programme to be fed into the computer for easy access. The programme for the month of February 2000 is attached to this circular.

A Help Desk has been established at the PFMS Project Office in Harare and their telephone number is displayed on the computer screen. Users are encouraged to use this facility in order to minimise problems.



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