

Adjustment Budget Approach:

In order to achieve a reconciled B-Schedule before 28 February 2019, Munsoft recommends performing the following procedures to assist Municipalities in planning efficiently and to complete the required system capturing in time.

- 1) The Budget History Extract can be extracted from the Munsoft System and the data strings can be aligned by using the 6.2 Chart Alignment to Schedules document to determine how the current final budget on the system will align to a B-Schedule.

Link to 6.2 Chart Alignment to Schedules document.

<https://www.dropbox.com/s/2uf9i9956f6yx1f/NT%206.2%20Chart%20Alignment%20segments%20All%20schedules.xlsx?dl=0>

- 2) Please use the current Budget History Extract to add the 2019 Adjustment Budget amounts. Even though some adjustment budgets have not been approved yet by Council, we recommend the nearest to correct figures are captured in the meantime to allow only small changes to be made before the deadline.
- 3) Once the Adjustment figures have been captured (step 2) please send the figures to your Munsoft Support Representative and SDM who will populate an updated draft B Schedule to show how the newly captured figures will look.
- 4) In the B schedule view provided by Munsoft please complete all the columns highlighted in orange on sheets B2, B4, B5 & B9 with the Budget figures as required by the Municipality.
- 5) The red amounts per B2, B4, B5 & B9 will reflect the differences which will have to be fixed by moving budget amounts between data strings or creating new data strings.
- 6) Use the National Treasury 6.2 Chart Alignment to Schedule document to identify which GUID's will affect which section of the B-Schedule.
 - B2 – Combination of item and function GUID's
 - B4 – Item GUID's
 - B5 – Function and project GUID's
 - B9 – Capital project GUID's
- 7) Once all adjustments have been captured on the Munsoft system, the B-Schedule must be generated from Caseware and used as the Schedule submitted to Council for approval.

NB: Please note that the Budget as captured on Munsoft must be used. If budget calculations outside of the system is used and submitted to Council for approval, it will be extremely difficult and almost impossible to reconcile the B6 & B7 to the system figures in future. This is due to accounting principles of Balance Sheet Budgeting which is an automated process on the financial system which cannot be changed in order to reflect figures calculated outside of the system.

- 8) The Municipality's Service Delivery Manager will follow up on a regular basis and ensure relevant support is provided for timely submission of the B-Schedule and ADJB data strings.

Highly Recommended Timelines:

Due to the magnitude of work required and the importance of complying with National Treasury's deadline the following recommended timelines need to be considered.

- **28 February 2019** – B-Schedule and ADJB data strings submitted to National Treasury.
- **8 February 2019** – Reconciling differences to be identified as per step 2 above and in the process of making corrective adjustments on the system in order to reconcile to B schedule as per the Municipality's budget.
- **18 February 2019** – Have final Adjustment Budget amounts captured on the Munsoft system that reconciles to the Municipality's budget.
- **22 February 2019** – Final deadline to have either the final council approved budget on the Munsoft system or if Council approval is not yet received a sign off on the current available municipality budget on the system. Consider if communication to Provincial Treasury and National Treasury is required with the deadline of 28 February 2019 approaching.
- **26 February 2019** – All budgets on the system that reconciles with Council Approved Adjustment Budget and signed off by the Municipality. If Council approval is not yet received, communicate to Provincial and National Treasury that the deadline of 28 February 2019 will not be met.