



MSCOA IMPLEMENTATION ASSESSMENTS

WE CAN HELP YOU TO ACHIEVE IMPLEMENTATION SUCCESS

With all municipalities and their respective municipal entities having to implement the Municipal Standard Chart of Accounts (mSCOA) as new classification framework for unified local government transactional information by **1 July 2017**, there are still many practical implementation challenges facing local government in the time remaining. The key question all municipalities are asking themselves, is how far still to go for full compliance with the mSCOA requirements.

High-level mSCOA self-assessment: How ready are you?

Please find below a high-level mSCOA self-assessment with a holistic focus on mSCOA in totality. As **the implementation of MSCOA is not simply an information technology project**, but rather a business transformation project, the effect of mSCOA will fundamentally transform how the municipality carries out its operations.

Accordingly, **15 core business processes** are impacted to various degrees by each of the **7 segments** as required by the mSCOA approach and focus. Being a multi-dimensional chart, together with all the affected business processes, the result is that an MSCOA project is very complex. The importance of MSCOA being seen as a **business reform due to its impact on internal controls, financial systems, processes and financial management** is clearly seen by the emphasis placed on these aspects in MFMA Circular 80, RT 25, MSCOA Circulars 5 & 6.

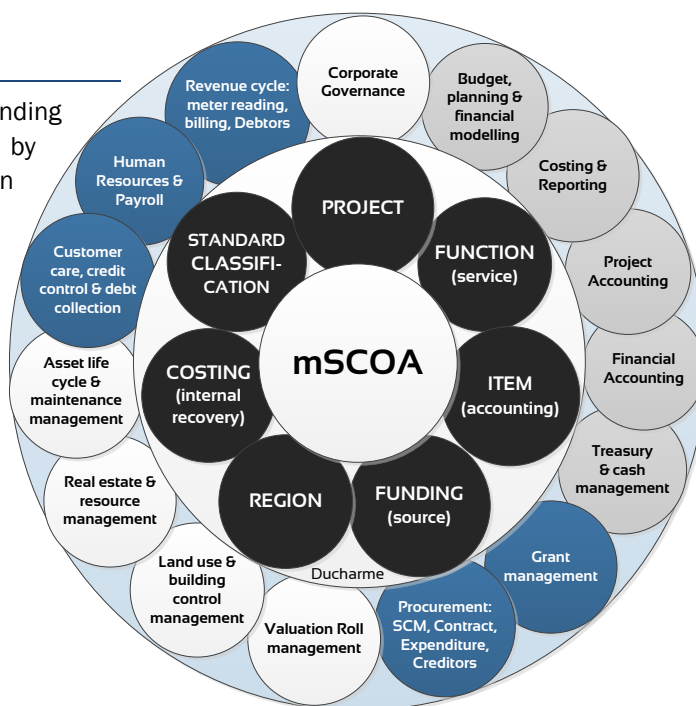
High-level mSCOA self-assessment questionnaire		YES	NO
1	Do you have an MSCOA Project Steering Committee and a Project Management team that has been properly constituted and is operating effectively and efficiently?		
2	Do you have an MSCOA implementation plan that will achieve implementation success? Is it being executed, monitored and managed on an ongoing basis?		
3	Have you considered how business processes need to change in your municipality because of MSCOA and have you drafted a set of standard operating procedures for each of the 15 business processes that need to be implemented?		
4	Have you ensured that training takes place for all 15 business processes?		
5	Have you identified and appointed a champion for all 15 business processes?		
6	Have you compiled an MSCOA specific risk register and are you addressing risks involved with the implementation project?		
7	What are you doing to ensure that sound Project Governance occurs?		
8	What are you doing to ensure that business transformation, change management and skills development takes place?		
9	Are you on track with the preparation of an MSCOA compliant Asset Register and Budget ?		

Self-assessment outcomes

For questions to which the answer is not a resounding 'yes', key focus and urgent attention will be required by the municipality to address the implementation thereof.

It is critical that **business processes and accounting controls**, that need to be implemented by the municipality, to successfully and effectively implement MSCOA are **unpacked and clearly understood**. These include the following to allow for a successful mSCOA implementation:

- Financial accounting and AFS
- Treasury and cash management
- Corporate Governance
- Grant management
- Procurement (SCM, Expenditure, Creditors)
- Land use & building control management
- Real Estate & Resource Management (*Asset Management and Asset Accounting*)
- Asset Life Cycle and Maintenance Management
- Customer Care, credit control, & debt collection



- Human Resources and Payroll
- Revenue (Meter reading, billing & debtors)
- Budget, planning and financial modelling
- Costing and reporting
- Project accounting

How can we assist you to address the mSCOA implementation challenges?

Where the high-level self-assessment indicates further support is required on any of the MSCOA implementation questions, we can provide support and guidance to the challenges. We have developed a detailed MSCOA Implementation Manual that provides answers to numerous practical mSCOA questions. In addition, we also have a team of accredited trainers and consultants who are eagerly awaiting the opportunity to help you to achieve MSCOA implementation success.

Let us visit your municipality for two days, workshop our manual with key staff that should be doing the MSCOA implementation and prepare a report for you setting out what you have done and what you still need to do to successfully implement MSCOA. You will also have access to the detailed guidance set out in our MSCOA Implementation Manual. Your investment in our value adding assistance will cost you an amount of R 29 000 (Inc VAT).

Contact us if you need help

If you want to find out more on MSCOA and the challenges related thereto, or would like to discuss tailored and practical solutions to the implementation challenges, please give us a call or send us an email:

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