

Quarterly Budget Review Template Guidance

INTRODUCTION

As the Department of Treasury (Treasury) no longer pre-loads information into the Quarterly Review templates, all Government Departments, Statutory Authorities and Provincial Governments (agencies) must therefore provide **all** of the information asked for in each of the 2011 Third Quarter Budget Review (QBR) templates.

- the 2011 Third QBR templates are at Attachment A;
- the Recurrent Budget – Agency Staffing Level form is at Attachment B; and
- the Explanation of Variations Template is at Attachment C.

Treasury will post Circular 9/2011 (3rd Quarter Budget Review) and the accompanying templates on Treasury's website for access to electronic copies. In addition, agencies are to keep in contact with its relevant Treasury Budget Division Officer to upload the electronic format. These are expected to be returned completed in the formats required.

Step by step guidance to assist agencies with completing each spreadsheet at Attachment A is given below.

GUIDANCE

All agencies are first asked to complete the Division number and Operating Agencies names sections at the top of each spreadsheet. Agencies are also asked to accurately complete the appropriate sections within each spreadsheet, ensuring that all figures and formulas are correct and that each sheet has been signed and dated.

1. **Report on Outstanding Commitments and Expenditure (Summary) REC. EXP (1)**

This spreadsheet is to be completed by all agencies.

This spreadsheet seeks an agency summary on the total expenditure by the agencies, split by personnel emoluments and by goods and services items.

Agencies are asked to accurately complete the appropriate sections within each spreadsheet, ensuring that all figures and formulas are correct and that each sheet has been signed and dated. Agencies should ensure that, where possible, figures are broken down between personal emoluments and goods and services.

In *Column 2* agencies are to detail the amount funding appropriated in the 2011 Budget.

In *Column 3* agencies are to record the revised appropriation, that is, if any moments occurred during the quarter.

In *Column 4* agencies are to detail total amount of warrants received from the Treasury Department during the quarter.

In *Column 5* agencies are to detail the amount of revenue generated during the review period.

In *Column 6* agencies are to detail any outstanding commitments that are yet paid in the quarter.

In *Column 7* agencies are to detail the actual expenditure that has occurred during the review period.

In *Column 8* agencies are to provide a total figure for outstanding commitments plus the expenditure. This figure is the sum of the figures in Columns 6 and 7.

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In *Column 9* agencies are to provide a total figure for the balance of funds available after paying off the expenditures. This figure is the sum of figures in columns 4 & 5 minus the figures in column 8.

In *Column 10* agencies are to provide detail of the projected expenditure for the year, based on the year to date expenditure as well as the level of service delivery. **Total projected expenditure for an agency should not exceed the revised appropriation.** If this is not the case, detailed comments should be provided as to how the agency intends to fund the additional amount or to bring expenditure under control and within appropriation.

2. Report on Outstanding Commitments and Expenditure (By Program) REC.EXP (2)

This spreadsheet is to be completed by Government Departments and Statutory Authorities only.

This spreadsheet seeks a summary of total expenditure by programme, split by personnel emoluments and by goods and services items.

Much like with the *REC. EXP (1)* spreadsheet, Departments and Statutory Authorities are to complete the appropriate sections in this spreadsheet, however, they are to provide detail of outstanding commitments and expenditure per program rather than an overall summary.

Refer to the guidance for “*Report on Outstanding Commitments and Expenditure (Summary) REC. EXP (1)*” for details on how to complete each column in this spreadsheet.

3. Report on Outstanding Commitments and Expenditure (By Grant) Rec.Exp(P)

This spreadsheet is to be completed by Provincial Governments only.

This spreadsheet seeks information on the outstanding commitments and expenditure by Grant type.

Much like with the *REC. EXP (1)* spreadsheet, Provincial Governments are to complete the appropriate section in this spreadsheet, however, they are to provide detail of outstanding commitments and expenditure per grant rather than an overall summary.

Refer to the guidance for “*Report on Outstanding Commitments and Expenditure (Summary) REC. EXP (1)*” for details on how to complete each column in this spreadsheet.

4. Report On Revenue

This spreadsheet is to be completed by all agencies.

This spreadsheet seeks information on both internal and external revenue, including any arrears from previous years.

Some agencies, including Provincial Administrations, generate revenue which is retained by them to use for their own operational purposes. Agencies should list such revenues under Internal Revenue.

Any revenues collected by agencies that are transferred to the Consolidated Revenue Fund should be shown in the form under External Revenue.

Comments should be provided on any variations between projected and actual collections to the end of quarter. That is, variations between *Columns 5 and 6*. Projection refers to the likely outcome as estimated by the agency for a period.

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Projection may not be a pro rata and a pro rata should not be used as projection where revenues accrue unevenly between quarters.

Comments should also be provided at *Column 9* on any variations between the projected revenue for the year (*Column 8*) and budget plus arrears of previous years (that is between *Columns 3 and 4*).

5. Report on Work Program REC.WP

This spreadsheet is to be completed by all agencies.

This spreadsheet is designed to obtain information on the results being achieved through Departments and Statutory Authorities programs and through Provincial Government's grants.

Program Name – The title of the program or grant identified as part of the annual planning and budgeting process should be stated here.

Work Program Targets / Performance Indicators – the program target or performance indicator should be entered here.

For example, the Department of Education has a '*Primary Education*' program. A key result for the program is recruitment of qualified teachers. Details of the target number to be recruited and the number recruited to the end of the first quarter should be supplied. As another example, the Department of Health has a '*Family Health Services*' program. A key result for the program is immunisation. The target figures to be immunised and the number immunised to the end of the first quarter should be supplied.

Many of the key results to be reported against are listed in the Budget papers (Volume 2 Part 1a & 1b) as performance indicators under Departmental Program/Activities. Agencies should identify the most important targets / performance indicators against each Program planned for the year, and their actual achievements against such targets to the end of the first quarter.

Achievement or Non-Achievement – agencies should also briefly state how their performance to the end of the quarter contributed towards the achievement or non-achievement of the Government policy priorities as articulated in the *2011-2015 Medium Term Development Plan (MTDP)*.

6. Trust Account

This spreadsheet is to be completed by all agencies.

This spreadsheet seeks details of trust account balances that were carried forward from the previous year, details of receipts and payments incurred during the reporting period and the balances at the end of the reporting period for all trust accounts.

In *Columns 1-3* agencies should list the detail from the trust account codes, names of each trust account and name of the agency administering the trust account.

In *Columns 4-7* agencies should provide details on transaction such as the balances at the end of the previous year, payments to date and the balance at the end of the quarter in the corresponding column.

In addition, comments should be provided on all receipts into, and payments out of, trust accounts during the reporting period.

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Report on Major Issues REC . ISSUE**This spreadsheet is for the use of all agencies.**

This spreadsheet allows agencies list up to three significant issues they would like Treasury to address, either directly, with one of the other central agencies, or with the CACC.

Up to three issues can be raised and, if required, your agency can also request a meeting with Treasury and/or one of the other central agencies.

This form should only be completed if your agency has budget, expenditure or staffing issues it wants to identify.

7. Development Budget - Report on Outstanding Commitments and Expenditure DEV (2)**This spreadsheet is for the use of all agencies.**

This spreadsheet is designed to ascertain progress on the funding of development projects and the progress of such projects against planned timelines.

Agencies are required to complete one spreadsheet per development project to ensure that Treasury and the Department of National Planning & Monitoring have all the information they need to report on the progress of all development projects to the CACC.

Agencies are to provide the program name, project name and vote code for each development project.

All appropriate fields should be complete under the 'Government funded item', 'Donor funded items paid by the Government and later reimbursed' and the 'Donor funded items paid directly by the donor' sections.

Comments should also be provided on the financing and the progress of each project.

Wages, salaries and allowance information should be provided for all funded positions, staff on strength, funded vacant positions, unattached and staff on concept payroll that relate to each project.

8. Agency Staffing Level Form – Attachment B**This form is to be completed by all agencies.**

This form seeks information on staffing levels within agencies.

Earlier this year, Treasury wrote to all agencies outlining the *Total Staff Ceiling* allocated to your agency in the 2011 National Budget.

The *Total Staff Ceiling* is the number of staff for whom funding is available in 2011 for your agency, regardless of any *Establishment* figure that may have been endorsed for your organisational structure by the Department of Personnel Management.

The *Total Staff Ceiling* does not include *unattached* staff.

The *Total Staff Ceiling* does include *Staff on Strength, Funded Vacancies* and *Casuals/Labourers*. This information is included in Table 5 of Volume 2 Part 1a of the 2009 National Budget.

The funding provided in the 2011 Budget is sufficient to cover the salaries, allowances and wages for the number of staff included in the *Total Staff Ceiling* number and for *unattached* staff.

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Agencies must undertake regular staff reconciliations to ensure payroll related information is in line with the above . Any deviations from the above should be clearly explained in this Form.

Please note that this Agency Staffing Form also has 4 questions to which your agency should provide a response when you submit your Quarterly Budget Review returns to Treasury.

10. Explanation of variances by all agencies – Attachment C

This form is to be completed by all agencies.

This form seeks justification on over and under spending.

All agencies are required to identify all instances of under and overspending by item at an agency level. No explanation is required for items with variances of less than 5 percent of the 2011 Appropriation.

In *Columns 1-4 under Expenditure Items* agencies should list the activity code and name. For each of this activity agencies are to list item code and name.

In *Column 5* agencies are to detail the actual amount funded in the 2010 Budget.

In *Column 6* agencies are to detail the amount funding appropriated in the 2011 Budget.

In *Column 7* agencies are to record the revised appropriation, that is, if any movements were done during the quarter.

In *Column 8* agencies are to detail the actual 2011 funding, which must be equal to the agency PGAS data.

In *Column 9* agencies are to list the variance, that is, the difference of 2010 Appropriation and 2010 Actual funding.

In *Column 10* agencies are to list the percentage (i.e. $\text{Variance} / 2011 \text{ Revised Appropriation} \times 100$).

In *Column 11* agencies need to inform Treasury why spending for each item was under/over their 2011 Appropriation for variance equal to 5 percent and more.