

Supply Chain Management

in the public sector



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A four-day Short Course of the *Public Finance Management Programme™* presented in Pretoria



23 – 26 April 2012

20 – 23 August 2012

06 – 09 November 2012

Background:

Supply Chain Management refers to managing the demand of goods and services to their acquisition, managing the logistics process and finally, after use, to their disposal. It encompasses the procurement, contract management, inventory and asset management and obsolescence planning processes. The *Public Finance Management Act* (and the MFMA – for local authorities) expects all public entities and departments to ensure that they develop and maintain a well documented, operational procurement system, within a system which is fair, equitable, competitive, cost effective and transparent.

This process is, and will always remain one of the highest exposures to fraud and corruption in any organisation in the public sector. The process is, by necessity, highly regulated and very complex including a wide array of legislative and procedural requirements and prescripts. Considering all you need to know about the PPP, SCM, PPPFA, BBBEE, LGSCMR, BEC, PEC, etc. becomes difficult and confusing. Non-compliance often has serious repercussions for the offending party.

This course:

With the above in mind, SAIGA developed the Supply Chain Management Course (SCM) which forms an integral part of the Public Finance Management Programme™. The SCM course gives full effect to SAIGA's unique training approach registered under the acronym STEPs™ (Skills Transfer and Educational Programmes). This Supply Chain Management Course seeks to unbundle the myriad of policies and procedures by carefully addressing the basic processes, the relevant legislation and best practices. The course is practical and case study driven. This course is designed to be of significant benefit to those who manage the procurement and supply chain processes as well as those who are responsible for compliance thereof. It will be invaluable to empower delegates to guard against financial mismanagement (as defined in the PFMA and MFMA), including Unauthorized, Irregular and Fruitless & Wasteful Expenditure.

Who should attend:

The course is specifically designed from a public sector perspective and suited to officials at all *three tiers of government*: financial managers, finance staff in general, internal auditors, administrative and logistics personnel, supply chain managers, accountants, staff, line managers and other role players working in the supply chain management chain. All office bearers who have to deal with or who are responsible for supply chain management will benefit greatly from attending this short course.

Presented by:

SAIGA

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Contents:

As for all courses which form part of the Public Finance Management Programme™, the content is designed around and based on the requirements of the PFMA. This way SAIGA assists with the implementation of the PFMA / MFMA. The outline of the four day course is:

- Gain a broad understanding of the concept of Supply Chain Management and its core components
- Learn about the legislative requirements governing procurement in the public sector
- Understand and manage the phases of procurement, including
 - Pre-solicitation (need analysis, specification, award criteria)
 - Solicitation (bidding process)
 - Negotiation (bidding process, drafting of contract)
 - Performance (change orders, review of completed work and sign-off, compliance assessment of deliverables, release of funding, etc)
 - Administration,within the public sector prescripts and policies;
- Discuss the practical challenges managers face in the daily application of these rules
- Understand and explore the fraud and corruption risks inherent to the Supply Chain Management process, in particular, the “who, what, where, when, why and how” of procurement fraud.
- Seek out the red flags of any of these forms of procurement abuse and learn how to respond appropriately.
- Discuss specific and common abuses of the procurement process, including cover quoting, fronting and corruption.

The official learning outcomes include:

- Identify and apply the principles of supply chain management
- Apply chain management policies and procedures in the public sector
- Utilize supply chain management systems and resources to fulfil the function effectively
- Secure and manage supplier contracts.

The course may vary in emphasis, depending of the requirements and existing experience of the delegates. It remains very participative and practical. The course is specifically designed from a public sector perspective and strikes a balance between management *skills* and the conceptual *knowledge* required to understand these concepts.

The venue:

The courses are mostly presented at the UNISA Sunnyside Campus in Pretoria. Maps and details of the lecturing hall/venue will be faxed/posted to participants after payment has been received. Please note that courses may be shifted to other venues due to various circumstances beyond our control and to accommodate the demand as far as possible. The SAIGA Secretariat will only send maps to participants who have provided proof of payment (faxed a copy of the deposit slip) or made explicit arrangements with the Secretariat regarding payment.

Time schedule:

The daily course program starts at 08:30 and ends at 16:00. On the last day of the course the program ends at 12:00 to accommodate participants’ travel arrangements, therefore no lunch is served on the day of departure.

Costs:

The course fee of R6,099.00 (R5,350 plus 14% VAT) includes attendance for all *four* days, course file, a certificate, hand-outs, notes, case studies and solutions. The Institute will also provide participants with a free lunch as well as free tea/coffee at 10:00 and 15:00. Staff of corporate members of *The Southern African Institute of Government Auditors* (SAIGA) can claim a discount of R684 (R600 plus 14% VAT).

The Organisation:

NPO registration number: 045-133 NPO

The **Southern African Institute of Government Auditors** is a non-profit organisation. Its constitutional objectives include the advancement of auditing and accountability. Through the presentation of high-quality, affordable courses, the Institute aims to facilitate the sharing of knowledge and the empowerment of South Africa’s people. The Institute supports the prioritisation of the concepts of *economy, efficiency and effectiveness*.

The **Public Finance Management Academy™** was founded by SAIGA to provide high quality, affordable continued professional education which is tailor-made for the public financial manager and government auditor.

Visit us at: www.saiga.co.za



**Course Rating
Applicability:**national & provincial
departmentslocal
authoritiespublic
entities

Certification and accreditation:

This course forms part of the *Public Finance Management Programme*[™]. For more information on the PFM Programme, visit our website: www.saiga.co.za The Public Finance Management Academy[™] will issue course participants with a certificate of attendance under the seal of the Southern African Institute of Government Auditors. Participants earn 25 Educational Credits (EC's) for attending this short course. The Public Finance Management Academy[™] maintains a central register where these credits are administered. The ECs provide participants with focus and clearly stated objectives. This assists employers to monitor the continued professional education and training (CPE) progress, and the manner in which their staff is committed to CPE.

The PFM Programme is developed and structured on the outcomes based education (OBE) model. This short course and its Educational Credits form part of the requirements for the *Portfolio of Short Courses*. In order to complete the Portfolio of Short Courses, participants have to meet two basic requirements: earn a minimum of 120 EC's and enrol for and complete an assessment. SAIGA and the Public Finance Management Academy[™] utilise educational and professional experts to function as quality assurers of this course and the course design, structure and material are subject to quality control and assessment by these experts. National Treasury set up a Validation Board to "accredit" or "validate" short-term training programmes and to address coordination and quality issues which surround the programmes available to existing employees (this Board ceased to operate in 2006). The aims of the validation mechanism were to coordinate activities and to advise departments of relevant programmes which target identified needs and are delivered to a suitable quality. The Short Courses of SAIGA's Public Finance Management Programme[™] were all accredited by the National Treasury's Validation Board until it ceased to operate in 2006.

Bookings:

Since only a limited number of participants can be accommodated, bookings will be handled on a first-come-first-served basis. To avoid disappointment submit your registration as soon as possible.

Changes / cancellations: Tax invoices will be issued (faxed and posted) on receipt of your booking. Once a tax invoice has been issued the department/delegate will be held liable for payment of the full course fee. No refunds can be made, but alternative delegates (substitutes) may attend the same course at no extra cost. All booking changes or cancellations are charged at R1,368.00 (R1,200 plus 14% VAT) per delegate booking. No cancellations or changes in booking will be accepted if not received in writing at least 5 working days before the course. Invoices must be paid before the course starts. No certificates will be issued if payment is outstanding. Outstanding payments incur 2% interest per month. Due to the minimal information which banks provide in respect of direct deposits, participant have to fax their deposit slips / electronic transfer slips to the Secretariat and state the invoice number/(s) to which the deposit refers. As required by recent legislation, VAT numbers have to be provided with registration. The Institute reserves the right to cancel a particular course due to unforeseen circumstances e.g. insufficient bookings or unavailability of venues (in the last few years, only a few courses had to be cancelled). In such event, participants will be informed at least two weeks before the scheduled course date of such cancellations. Participants who have paid their fees will receive full refunds in the event of SAIGA cancelling a course (SAIGA's liability in such event is limited to this refund).

Presenters:

Our presenters are a blend of professional managers, chartered accountants and educators with wide experience in the presentation of courses in the public sector. The high esteem of SAIGA courses has been developed over a number of years by involving only experts in the development and presentation of the CPE opportunities. The presenters have been involved with numerous training initiatives in the public sector and the *Public Finance Management Act* in particular. They serve on various professional committees and have years of experience in the field of continued professional education and are supported by senior staff. The Supply Chain Management Course is presented by one of South Africa's leading forensic specialists, who is also a Certified Fraud Examiner, holding post graduate qualifications in fraud examination, backed by a forensic accounting practice which has been involved in investigating some of the largest public sector fraud cases.

Accommodation:

Participants are responsible for arranging their own accommodation. The Secretariat can provide details of accommodation in relative close proximity to the training venues.

