



DONATIONS POLICY

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1. PREAMBLE

- 1.1 WHEREAS the Municipality on a regular basis receives requests for donations from a variety of organizations, and
- 1.2 WHEREAS circumstances occur which may justify financial support to bodies or organizations outside the normal grants-in-aid process; and
- 1.3 WHEREAS the Municipal Council on an annual basis appropriate funding in dedicated budget votes to be utilized for such purposes by the Executive Mayor and Speaker; and
- 1.4 WHEREAS it is appropriate to lay down rules and guidelines for the consideration and allocation of applications or requests for donations, now
- 1.5 THEREFORE Dihlabeng Municipality adopts the policy as set out below.

2. LEGAL FRAMEWORK

All donations made in terms of this policy must comply with:-

- 2.1 The Constitution of the Republic of South Africa;
- 2.2 The Local Government Municipal Systems Act 2000 (Act 32 of 2000) as
- 2.3 Local Government Municipal Finance Management Act 2003 (Act 56 of 2003) as amended.
- 2.4 Any other applicable legislation or regulations that may govern the transfer of Municipal Funds.

3. DEFINITIONS

- 3.1 In this document, the following words shall have the following meanings:

“Donation” refers to an amount donated to an organization or body for the purposes of financial support, event, project, activity or special merit cases as provided for in Section 67(4) of the Municipal Finance Management Act 2003 (Act 56 of 2003) as amended,

“Office bearers” refers to councillors elected by the Municipal Council to the positions of Executive Mayor and Speaker as provided for in terms of Schedule 3 to the Municipal Structures Act 1998 (Act 117 of 1998 as amended).

4. BUDGET

- 4.1 The Municipality may appropriate funding in its annual budget for the purposes of donations to be considered and approved by Council.

5. CONSIDERATION OF APPLICATIONS FOR DONATIONS.

- 5.1 The office bearers of the Municipality may consider applications for donations to organisations and bodies complying with the following guidelines:-
 - 5.1.1 The functions of the applying organisation or body as well as the purpose of the donation must align with the strategic goals and objectives of the Municipality as contained in the most recent Integrated Development Plan (IDP);
 - 5.1.2 The organisation or body operating as a legal entity according to their constitution must be based in Dihlabeng or at least have a local office; and
 - 5.1.3 Only non-profit organisations, non-governmental, educational organisations, libraries, museums, culture organisations, social clubs, community based organizations, special needs organisations, charitable organisations serving the public may be considered for donations.

- 5.2 Donations may not be granted for the following:-
 - 5.2.1 Individuals,
 - 5.2.2 Political parties or party political related activities or projects,
 - 5.2.3 Where any member of Council or official of the Municipality or close family member of such councillor or official will benefit from such donation,
 - 5.2.4 Organisations and corporations for gain and/or not serving the public, and
 - 5.2.5 Organisations or activities/projects that infringe on the Bill of Rights or any other legislation of any sphere of government.

6 LIMITATIONS

- 6.1 An application for a donation must be submitted by completion of the application form attached hereto;
- 6.2 Donations to any organisations or bodies may not be approved more than once during a cycle of 24 months.
- 6.3 The amount of any one donation approved by an office bearer may not exceed the amount of R20 000 for special merit cases which must be duly motivated and recorded.
- 6.4 The donation amount may not be deposited into any personal bank account.
- 6.5 The special budget votes may not be supplemented by way of virements.

7 ADMINISTRATION

- 7.1 The offices of the political office bearers must keep record of all applications received, applications granted, date granted, the amount allocated as well as applications not approved.
- 7.2 A report reflecting the above information must be submitted to the Executive Mayor and Mayoral Committee at least on a quarterly basis.
- 7.3 Documents to process payment of donations must be approved by the Municipal Manager after indicating the granting of a request by the Political Office Bearer.

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DIHLABENG MUNICIPALITY: APPLICATION FOR A DONATION

**Legal Name of the Organisation
(If applicable)**

Contact Details:

Name:		Title/Position	
Physical Address:		Postal Address:	
Postal Code		Postal Code:	
Tel No:		Fax No:	
		Email:	

Indicate how the organization is registered, (NPO, etc.)	
Please provide the Organizations registration no and copy of registration	
Does this organisation serve the poor	Yes No
If yes, please explain	

Focus of the project / event / activity for which funding support is being applied for

Event/activity/project date

Explain who will benefit from the project, for what purpose the proceeds will be utilized and what impact it will have on the larger community

Has the organization received a donation from the Municipality before?	Yes	No
If yes, state the amount and date it was received.		
Does your organization have the ability to implement	Yes	No

the project / event / activity successfully?		
Organisation bank account number		
Account holder name		

Donation, if approved, are subject to the following conditions:-

1. Donations must be exclusively utilised for the purpose defined herein;
2. The organisation must ensure that the targeted beneficiaries receive the benefit of the transferred funds.

Undertaking:

I/We hereby confirm that:-

1. The information provided in this application is true and correct and that the conditions applicable to the allocation of a donation as set out above have been read, understood and will be complied with.
2. the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfers of funds.(Delete if not applicable)

Thus done and signed at _____ on this _____ day of

_____ 20 _____.

APPLICANT NAME

DATE

APPLICANT SIGNATURE

Comment by Office Bearer

Application Approved	Not Approved	Donation approved R.....
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Name of office Bearer

Designation

Signature and date

In special merit cases (grants exceeding R20 000) please furnish additional motivation:

Comment by Municipal Manager

I hereby certify that compliance with section 67 (1) (a) of Act 56 of 2003 by the organization/body is uneconomical/unreasonable due to the limited amount donated.

Name

Designation

Signature and date.

DRAFT