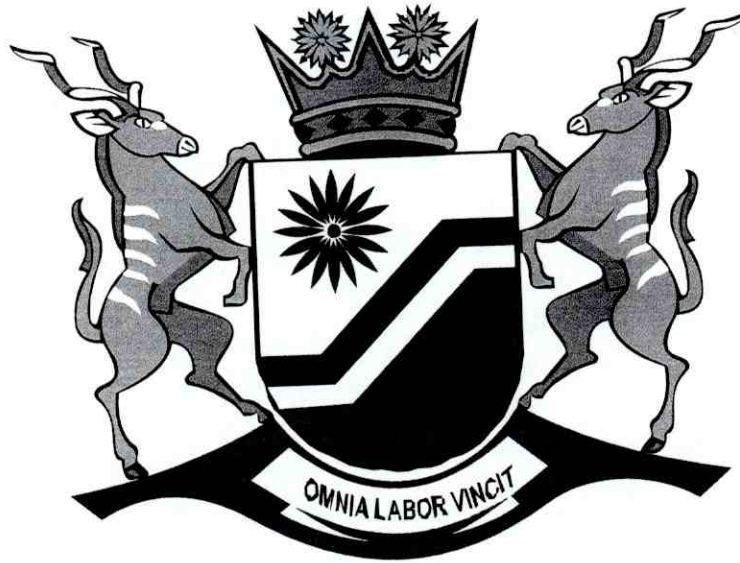


# Mpumalanga Provincial Government



Department of Public, Works Roads and Transport

## GIFTS, DONATIONS AND SPONSORSHIPS POLICY

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Revision Date:..... None  
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## 1. ABBREVIATIONS AND DEFINITIONS

### 1.1. ABBREVIATIONS

- PFMA** : Public Finance Management Act
- TR** : Treasury Regulations
- HOD** : Accounting Officer
- CFO** : Chief Financial Officer of the department

### 1.2. DEFINITIONS

- Department** : Mpumalanga Department of Public Works, Roads and Transport.
- Gifts** : An item purchased for an individual or group of officials in recognition of an event or performance using the funds of the Department.
- Donation** : A voluntary gift given in recognition of a worthy cause.
- Sponsorship** : Providing funds for a specified activity as part of an organized fundraising event.
- Granting** : An unconditional transfer of cash or valuable item which is voluntary and non-reciprocal.
- Acceptance** : A voluntary reception of cash, item or service whether such cash, item or services is donated or sponsored.

## 2. INTRODUCTION

An Accounting Officer of the Department shall approve the acceptance of gifts, donations or sponsorships to the state, whether such gifts, donations or sponsorship are in cash or in kind. Treasury Regulations 21.2.1, part 08 miscellaneous.

## 3. OBJECTIVES

The purpose of this policy is to:

- 3.1. To provide a regulatory framework within which gifts, donations and sponsorships occur in a controlled environment for the ultimate benefit of the Department

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## 4. REGULATORY FRAMEWORK

- 4.1. Constitution of the Republic of South Africa, 1996.
- 4.2. Public Finance Management Act, Act No. 1 of 1999.
- 4.3. Treasury Regulations

## 5. SCOPE OF APPLICATION

This policy shall be applicable to:

- 5.1. All employees of the Department of Public Works, Roads and Transport.

## 6. POLICY STATEMENT

### 6.1. Guiding Principles: Granting

- 6.1.1. Only the Accounting Officer may approve the granting of donations, gifts and sponsorship if the Department is convinced that such gift, donation or sponsorship are in the interest of the Department.
- 6.1.2. Gift, donation and sponsorship exceeding R100 000 in cash shall be referred to the legislature for approval by being included separately in the estimates of expenditure.

### 6.2. Guiding Principles: Acceptance

- 6.2.1. Only the Accounting Officer may approve the acceptance of gifts, donations and sponsorships whether such gifts, donations or sponsorships are in cash or in kind.
- 6.2.2. All cash gifts, donations and sponsorships shall be paid direct in to the relevant revenue fund of the Department.
- 6.2.3. Where it is not apparent for what purpose a gift, donation or sponsorship should be applied, the executive authority shall decide how it should be utilized.
- 6.2.4. All gifts, donations and sponsorships received during the course of the financial year shall be disclosed as a note to the annual financial statements of the department.

NB: Please refer to the procedure manual on processes to be followed when a gift, donation or sponsorship is being reported.





### **6.3. Gifts and Donations of immovable property and assets by or to the state**

6.3.1 The application of section 76 (1) (k) and (l) of the PFMA

6.3.1.1. The relevant treasury's approval shall be obtained before the Department offer or accept any gifts or donations of any immovable property.

6.3.1.2. The Department shall submit to the relevant treasury the reasons for or the conditions under which the gift or donation of immovable property is offered or accepted.

## **7. ROLES AND RESPONSIBILITIES**

- 7.1 The HOD is accountable for this policy and shall ensure adherence thereto.
- 7.2 The Chief Financial Officer is accountable for the implementation and enforcement of the policy.
- 7.3 The Senior Manager Financial Accounting is responsible for the implementation and enforcement of the policy
- 7.4 The Financial Reporting section is the responsible unit for appropriate execution and implementation of the policy.
- 7.5 All officials in the Department shall be aware of this policy and proper execute their duties in line with the implementation of the policy.

## **8. MONITORING AND EVALUATION**

The Financial Management section shall monitor the implementation of the policy on a quarterly basis and any deviations shall be reported to the Accounting Officer.

## **9. POLICY REVIEW**

The policy shall be reviewed to factors in changes in the legal frameworks, organizational developments, political and economic trends, and envisaged outputs by the Medium Term Expenditure Framework as well as outcomes of monitoring and evaluation.

## **10. APPROVAL**

Approved



**K.M MOHLASEDI  
HEAD OF DEPARTMENT**

DATE: 2012/07/10