



**Department of Public Works, Roads and Transport**  
**MPUMALANGA PROVINCIAL GOVERNMENT**

**GIFT, DONATION AND SPONSORSHIP POLICY**

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Issue: .....2.0  
Responsible Sub-Programme: ..... Financial Management  
Date of Approval ..... 20/06/2024

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## ABBREVIATIONS

<b>CFO</b>	Chief Financial Officer
<b>PFMA</b>	Public Finance Management Act, 1999 (Act No. 1 of 1999)
<b>TR</b>	Treasury Regulations
<b>PSR</b>	Public Service Regulations 2016 and 2023 for the Amendment

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## DEFINITIONS

<b>Acceptance</b>	Means	a voluntary reception of cash, item or service whether such cash, item or services is donated or sponsored;
<b>Accounting Officer</b>	Means	a person mentioned in Section 36 of the Public Finance Management Act, 1999 (Act No.1 of 1999) and includes any person acting as the Accounting Officer;
<b>Chief Financial Officer</b>	Means	An official who is directly accountable to the accounting officer as per Treasury regulation
<b>Director: Financial Accounting</b>	Means	Head of financial accounting directorate
<b>Department</b>	Means	Mpumalanga Department of Public Works, Roads and Transport;
<b>Donation</b>	Means	a voluntary gift given in recognition of a worthy cause;
<b>Executive Authority</b>	Means	A person mentioned in Chapter 2 of the Public Service Act, 1994(103 of 1994) and includes any person acting as Executive Authority.
<b>Employee</b>	Means	a person employed by the Department in terms of Public Service Act, 1994 (Proclamation No. 103 of 1994);
<b>Gift</b>	Means	an item purchased for an individual or group of officials in recognition of an event or performance using the funds of the Department;
<b>Granting</b>	Means	an unconditional transfer of cash or valuable item which is voluntary and non-reciprocal; and
<b>Sponsorship</b>	Means	Providing funds for a specified activity as part of an organized fundraising event.

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## **1. INTRODUCTION**

The Accounting Officer of the Department approves the acceptance of gift, donation or sponsorship to the state, whether such a gift, donation or sponsorship is in cash or in kind. Treasury Regulations (TR) 21.2.1, part 08 miscellaneous.

## **2. OBJECTIVES**

The objective of this policy is:

To provide a regulatory framework within which a gift, donation and sponsorship occur in a controlled environment for the ultimate benefit of the Department.

## **3. REGULATORY FRAMEWORK**

- 3.1 Departmental Unauthorised, Irregular and Fruitless Expenditure Policy
- 3.2 Public Finance Management Act, 1999 (Act No. 1 of 1999); and
- 3.3 Public Services Act, 1994, (Act No. 103 of 1994) and Regulations Treasury Regulations.
- 3.4 Public Service Regulations, 2016 and Public Service Amendment Regulations, 2023

## **4. SCOPE OF APPLICATION**

This policy is applicable to all employees of the Department of Public Works, Roads and Transport.

## **5. POLICY STATEMENT**

### **5.1. GUIDING PRINCIPLES**

- 5.1.1. The accounting officer must keep an updated register for all Gift, Donations and sponsorship made or received for the department.

### **5.2. GUIDING PRINCIPLES : GRANTING**

- 5.2.1. Only the Accounting Officer may approve the granting of a donation, gift and sponsorship if the Department is convinced that such gift, donation or sponsorship are in the interest of the Department; and

5.2.2. Gift, donation and sponsorship exceeding R100 000 in cash are referred to the relevant legislature for approval by being included separately in the estimates of expenditure.

### **5.3. GUIDING PRINCIPLES: ACCEPTANCE**

5.3.1. Only the Accounting Officer may approve the acceptance of gift, donation and sponsorship whether such gift, donation or sponsorship is in cash or in kind;

5.3.2. All cash gifts, donations and sponsorships are paid directly into the relevant revenue fund of the Department;

5.3.3. Where it is not apparent for what purpose a gift, donation or sponsorship should be applied, the Accounting Officer may decide on how it should be utilized;

5.3.4. All gifts, donations and sponsorships received during the course of the financial year are disclosed as a note to the annual financial statements of the department.

5.3.5. Officials should not receive or accept any gift in the course and scope of his or her employment to the cumulative value exceeding R500 per year, unless approval is obtained from the relevant Executive Authority”.

### **5.4. GIFTS AND DONATIONS OF IMMOVABLE PROPERTY AND ASSETS BY OR TO THE STATE**

5.3.1 The application of Treasury Regulation 21.3.1

5.3.1.1 The relevant treasury’s approval shall be obtained before the Department offer or accept any gift or donation of any immovable property; and

5.3.1.2 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.

## **6. ROLES AND RESPONSIBILITIES**

### **6.1 Accounting Officer**

The Accounting Officer shall be responsible for the effective and efficient implementation of this policy as part of the internal controls within the Department.



## 6.2 Chief Financial Officer

The Chief Financial Officer shall be accountable for the implementation and enforcement of the policy.

## 6.3 Director: Financial Accounting

The Director Financial Accounting shall be responsible for the operational implementation and enforcement of the policy;

## 6.4 All employees

All employees in the Department shall be responsible to ensure compliance and properly execute their duties in line with the implementation of this policy.

## 7. MONITORING AND EVALUATION

The Financial Management Sub-Programme shall monitor and evaluate the implementation of this policy.

## 8. POLICY REVIEW

The review of this policy shall be necessitated by changes in the legal frameworks, organizational developments, political and economic trends.

## 9. DEVIATIONS

Any deviation from this policy shall be approved by the Accounting Officer.

## 10. IMPLEMENTATION DATE

This policy shall come into effect from the date of approval by the Accounting Officer.

## 11. APPROVAL



**MC MOROLO**

**HEAD: PUBLIC WORKS, ROADS AND TRANSPORT**

**DATE** 20/06/2024