



**DRAKENSTEIN**

MUNISIPALITEIT • MUNICIPALITY • UMASIPALA

Paarl | Wellington | Gouda | Saron | Simondium

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# Donations Policy

**Date of Approval/Review by Council**

27 January 2021

**Implementation Date**

1 February 2021

**Signed by the City Manager**

**Signature Date**

27 January 2021

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A handwritten signature in blue ink, consisting of a stylized first letter and a cursive surname, positioned above a horizontal line.

**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, Deputy 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, Drakenstein 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, 1996 as amended;
- 2.2 The Local Government Municipal Systems Act 2000 (Act 32 of 2000);
- 2.3 Local Government Municipal Finance Management Act 2003 (Act 56 of 2003) as amended; and
- 2.4 Any other applicable legislation, regulations and policies 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, other than amounts granted to organizations in terms of the Grants-In-Aid Policy, 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; and

**“Office bearers”** refers to councillors elected by the Municipal Council to the positions of Executive Mayor, Deputy 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. Special expenditure votes may be created for this purpose.

4.2 Requests for donations will be considered in regard to the Municipality’s current budget.

#### **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 Drakenstein; and

5.1.3 Non-profit organisations, educational organisations, libraries, museums, culture organisations, social clubs, community-based organizations, special needs organisations, charitable organisations serving the poor may be considered for donations.

5.2 Donations may not be granted for the following:

5.2.1 For personal and day to day living expenses;

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 community; 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 Applications for donations must be made on the application forms provided and should be accompanied by all the required documentation, such as registration certificates, latest municipal account and banking particulars. All NGO's/NPO's must be in good financial standing with the Municipality.

6.2 Donations to any organisations or bodies may not be approved more than once during a cycle of 12 months save for specially motivated cases, duly motivated and recorded.

6.3 The amount of any one donation approved by an office bearer may not exceed the amount of R10 000 in respect of the Executive Mayor and a maximum of R5 000 in respect of the Deputy Executive Mayor and the Speaker. All donations must however be approved by the Executive Mayor.

6.4 The donation amount may not be deposited into any personal bank account.

6.5 The Executive Mayor may deviate from the abovementioned limitations.

## **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 City Manager or Executive Director Corporate Services after indicating the granting of a request by the Political Office Bearer.

**8. COMMENCEMENT DATE**

- 8.1 Unless otherwise specified, the commencement date of this policy will be the date of adoption by Council, and shall remain in effect until it is reviewed, revoked or amended by Council.**



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## ANNEXURE

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www.drakenstein.gov.za

records@drakenstein.gov.za

Civic Centre, Berg River Boulevard, Paarl 7646

### DRAKENSTEIN 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 community?

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 the project / event / activity successfully?	Yes	No
Organisation bank account number:		
Account holder name:		
Is the organisation up-to-date with the municipal account?	Yes	No

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.

<b>Undertaking:</b>	
I/We hereby confirm that:	
<ol style="list-style-type: none"> <li>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.</li> <li>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).</li> </ol>	
Thus, done and signed at _____ on this _____ day of _____ 20 _____.	
_____ APPLICANT NAME	_____ DATE
_____ APPLICANT SIGNATURE	





**Comment by Office Bearer:**

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Application Approved	Not Approved	Donation approved R.....
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\_\_\_\_\_  
**Name of office Bearer**

\_\_\_\_\_  
**Designation**

\_\_\_\_\_  
**Signature and date**

**Comment by Executive Mayor:**

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Application Approved	Not Approved	Donation approved R.....
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\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**



**Comment by City Manager / Executive Director Corporate Services:**

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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

\_\_\_\_\_ Signature

\_\_\_\_\_ Date

