



DONATION POLICY

Date Approved: 30 May 2023

Council Resolution (DC No): B.2

1. PURPOSE OF THE FUND

The fund's purpose is to donate to deserving beneficiaries who would otherwise not qualify for grants in terms of Council's grant-in-aid policy.

2. DEFINITIONS

- 2.1 "close family member" means any spouse, partner, son, daughter, mother, father of a councillor and/or employee.
- 2.2 "donation" means any monetary contribution or benefit in kind to an Applicant(s) or received.
- 2.3 "government institution" means any local, provincial or national sphere of government.
- 2.4 "in the employ of the state" means any person who is in the employ of the state (a municipal, provincial or national government employee);

SCOPE

The policy applies to the Executive Mayor's, Executive Deputy Mayors' and the Speaker's donation funds.

3. FUND GUIDELINES

The fund may be used for:

- 3.1 Socioeconomic development programmes which aim to bring about sustained improvement in the well-being of the individual, groups, community, and society at large
- 3.2 causes that will promote the profile of the Municipality;
- 3.3 emergency/disaster situations
- 3.4 assisting the development and implementation of a local project, scheme or initiative;
- 3.5 payment directly to any individual only on such condition as the Executive Mayor will approve;
- 3.6 travelling, accommodation or subsistence of individuals or teams participating in events such as recreation, sports or cultural activities
- 3.7 the promotion of tourism and/or destination marketing;

4. PROHIBITED USES

- 4.1 The Fund may not be used for any purpose that benefits a political party or for fund-raising of a political nature.
- 4.2 No funding appropriation to any person employed in the service of the state and their close family member(s), where such funding personally/ directly benefits the aforementioned persons
- 4.3 No appropriation to directly benefit a government institution.
- 4.4 Appropriations may not benefit any Councillor
- 4.5 Any donation from the Fund shall not result in repeat commitments (twelve months cooling off period) nor may any expectation be created that funding will automatically be made available for future events.
- 4.6 Donations may not be used in conjunction with other funding by the Municipality, without the concurrence from the Municipal Manager

5. PROCESS FOR RELEASE OF FUNDS

- 5.1 Applications for donations from the Fund must be lodged with the Executive Mayor.
- 5.2 All applications must be in writing.
- 5.3 Upon receipt of an application, the Applicant must be requested to complete a declaration form.
- 5.4 The Chief of Staff must assess a request and determine whether it meets the requirements of this policy and submit recommendations to the Executive Mayor
- 5.5 The Executive Mayor considers the application and assessment by the Chief of Staff and determines the quantum of the donation.
- 5.6 The Executive Mayor may impose conditions in respect of any donation made from the Fund.
- 5.7 The Executive Mayor's decision is conveyed to the Chief of Staff for execution.
- 5.8 The Chief of Staff must ensure that effective, efficient and transparent financial management and internal control systems are implemented to guard against fraud, theft and financial mismanagement that may occur when grants are awarded.
- 5.9 The application process must be finalised within fourteen (14) days of date of receipt, subject to all information being provided to process the application.

- 5.10 A written agreement must be entered into with the recipient of the donation to ensure that the funds are used for the purpose intended.

6. **REPORTING REQUIREMENTS**

The Executive Mayor must report to Council on a quarterly basis (section 52 Report) on the status of the Fund including donations received, amounts withdrawn and the details grants to beneficiaries.

7. **DONATIONS TO THE FUND**

- 7.1 It is appreciated that a fund that is dependent on donations will always have limited money.

- 7.2 As guardian of the Fund, the Executive Mayor may drive campaigns and initiate programme to raise money for the Fund, including to –

7.2.1 solicit donations from any member of the public, businesses or organisations;

7.2.2 actively canvass for donations;

7.2.3 organise cultural, sports, entertainment events to raise money;

7.2.4 organise competitions to raise money;

7.2.5 provide for funds to be appropriate from the municipality's annual budget to the Fund.

- 7.3 If a donor specifies conditions in respect of any donation, the donated amount may only be utilised in terms of those conditions.

- 7.4 The Executive Mayor may refuse any donation where the conditions attached are unacceptable.

8. **DONATION LIMITS**

The Executive Mayor may determine the maximum limit of any donation from time to time.