



MATATIELE

LOCAL MUNICIPALITY

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Virement Policy

D.C.T. Nakin
Municipal Manager

Cllr. M.M. Mbedla
Mayor

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1. OBJECTIVE

The objective of the policy is to provide the guidelines to be followed, to effect virements of approved budgeted expenditure during the course of a financial year.

2. PRINCIPLES

Changing circumstances during a financial year can require amendments to the original budget approved by Council to authorise expenditure, known as Virement. Amendments to line items within a vote can be approved at a management level, but changes to votes require approval from the Mayor.

3. GUIDELINES

3.1. Virement of line items within a vote can be approved as follows:

3.1.1. Strategic managers can approve of a Virement to line items within a vote under their responsibilities to a maximum of R10,000 (net of Input Value Added Tax);

3.1.2. The Chief Financial Officer can approve of a Virement of line items within a vote, within any vote/department, to a maximum of R20,000 (net of Input Value Added Tax); and

3.1.3. The Municipal Manager can approve of Virements in respect of line items within a vote, even if it exceeds R200,000.

3.2. Virement of any budgeted expenditure between votes can only be approved by the Mayor, upon consideration of a report from the Municipal Manager to support the necessity thereof, which also extends to the authorisation of unforeseeable or unavoidable expenditure not provided for in the budget.

4. AUTHORISATION

All changes to be authorised in the Adjustment budget, or by a Council committee subsequent thereto.

MATATIELE MUNICIPALITY

VIREMENT APPROVAL

KINDLY EFFECT THE FOLLOWING CHANGES ON MY BUDGET:

VOTE

AMOUNT

DEBIT

[illegible]

CREDIT

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MOTIVATION:

[illegible]

AUTHORISED BY HEAD OF DEPARTMENT:

NAME:

APPROVED BY CHIEF FINANCIAL OFFICER:

NAME:

[illegible]

BUDGET AMENDED BY:

NAME:

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