



# Molemole Municipality

## VIREMENT POLICY

**2021 - 2022**

DOCUMENT REF:	Budget.2021/2022
VERSION NO:	003.2021-22
PREPARED BY:	Wiso P M
DATE COMPILED:	March 2021
REVIEWED BY:	ZULU K
DATE REVIEWED:	March 2021
APPROVED BY:	Council
DATE APPROVED:	28 May 2021
EFFECTIVE DATE:	01 July 2021

**1. OBJECTIVE**

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

**2. PRINCIPLES**

- 2.1. Virements should not be permitted in relation to the revenue side of the budget;
- 2.2. Virements between votes should be permitted where the proposed shifts in funding facilitate sound risk and financial management( e.g. the management of central insurance funds and insurance claims from separate votes);
- 2.3. Virements from capital budget to the operating budget should not be permitted;
- 2.4. Virements towards personnel expenditure should not be permitted;
- 2.5. Virements to or from the following items should not be permitted : bulk purchases, debt impairment, interest charges, depreciation, grants to individuals, revenue foregone, insurance and VAT;
- 2.6. Virements should not result in adding new projects to the capital budget;
- 2.7. Virements of conditional grant funds to purposes outside of that specified in the relevant conditional grant framework must not be permitted;

**3. GUIDELINES**

- 3.1. Virement of any budgeted expenditure between the line items can only be approved by the Municipal manager with the recommendation from the Chief Financial Officer.
  - 3.1.1 for projects 20%
  - 3.1.2 Others 15%

DOCUMENT REFERENCE	003/2020 & 2021	OWNER	MOLEMOLE MUNICIPALITY	Molemole Municipality
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**DEBIT**

Vote number	Description	Amount

**CREDIT**

Vote number	Description	Amount

REQUESTED BY

  
 SIGNATURE

\_\_\_\_\_ Date

RECOMMENDED BY CFO

\_\_\_\_\_ SIGNATURE

\_\_\_\_\_ Date

APPROVAL: MUNICIPAL MANAGER

SIGNATURE :

APPROVED <del>APPROVED</del>	NOT
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*Delete not applicable*

DATE :