

OFFICE OF THE PREMIER



ASSET MANAGEMENT

POLICY ON LIBRARY MATERIAL

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1. INTRODUCTION

The purpose of this policy is to guide processes on recognition, management and measurement of library materials in the financial records of the department and will assist with ensuring that both management and staff understand their respective responsibilities and duties.. This policy applies to Office of the Premier. It relates to the acquisition, treatment, procedure and the management of any library materials under the control of the Department.

Library material, that meets the definition of an asset are classified as assets, held in the library of Legal services in the Office of the Premier.

2. LEGISLATIVE FRAMEWORK

Legal Requirements:

The **accounting officer**, in terms of section 38 of **the PFMA**, must ensure that:

- 38(1)(a)(i) the department has and maintains an effective, efficient and transparent system of financial and risk management and internal control;
- 38(1)(b) is responsible for the effective, efficient, economical and transparent use of an organisation's resources; and, in particular,
- 38(1)(d) is responsible for the management, including the safeguarding and maintenance of its assets.

The PFMA, in terms of section 45, states that **an official** in a department, trading entity or constitutional institution, –

- 45(a) must ensure that the system of financial management and internal control established for that department is carried out within the area of responsibility of that official;
- 45(b) is responsible for the efficient, effective, economical and transparent use of financial and other resources within that official's responsibility;

45(e) is responsible for the management, including the safeguarding, of assets and the management of liabilities within that official's area of responsibility.

The National Treasury Regulations state that, -

- *Responsibility for asset management*

The accounting officer of an institution must take full responsibility and ensure that proper control system.

Preventative mechanisms are in place to eliminate theft, losses, wastage and misuse; and stock levels are at an optimum and economical level.

The accounting office must ensure that processes (whether manual or electronic) and procedures are in place for the effective, efficient, economical and transparent use of the assets

3. OBJECTIVES

The objective of the Library material policy is to prescribe the administrative duties as well as responsibilities and procedures relating to accounting for the Library books, of the Office of the Premier. It is also to enable the department to meet its service delivery objectives economically, effectively and efficiently.

4. CONTROL MEASURES

Full responsibility for internal controls rests with the Accounting Officer of the Office of the Premier, who should ensure that appropriate and adequate arrangements exist to safeguard all library material classified as assets.

This means that:

- Under no circumstances should any library material listed on the asset register leave the library without being recorded in the control register,
- Access control must strictly be adhered to.
- Borrowers of library material are prohibited to dog-ear pages or stick any adhesive material in books.
- Under no circumstances should writing, highlighting, underlining or for placing post-it notes or any adhesive markers on books.
- A register for record keeping is being kept in the library and must not be removed from the library.
- Borrowers and the librarian must record all books being borrowed in the register
- Do not use cursive script handwriting in the register, use print handwriting when borrowing a book.
- Stock counting and verification of library material would be done twice a year.

5. TYPES OF LIBRARY MATERIAL

Types of library material referred to in this guide are listed below:

- Law text Books, that can be borrowed by users,
- Reference books, for example encyclopaedia,
- Law Journals,
- Law Reports, e.t.c

6. SELECTION OF THE LIBRARY MATERIAL

Selection of library material titles and format is done by the head of legal services and the librarian. Officials are prohibited from bringing in other material in the library without the knowledge and permission from the head of the unit. The head of the unit reserves that right to select material that is appropriate to the use of the library. Any library material addition without costs to the department would not have a bearing on our accounting records.

7. MANAGING LIBRARY MATERIAL

Library material that meets the definition of capital assets on acquisition are recorded in the department's main asset register. Other Library Material that meets the definition of a minor asset is recoded in the accession register. The accession register is an administrative document listing all library material in the library with a value less than R5 000.00. The accession register will provide the following information:

Date, Accession Number, Author, Title, Publisher, Price, Source and Remarks

- The library as indicated above is located in legal services unit, as a resource centre for litigation purposes it serves as a source of information on legal and labour related matters to enable the administration achieve its service delivery objectives.
- The library has a capacity to render an inter-lending service to other Provincial administration departments.
- Staff members are allowed to borrow books from the library, but if an employee leaves the department, library services can indicate if the individual has returned all library material borrowed from the library. If not, the cost of the outstanding library material must be recovered from the employee using the departmental debt recovery procedures.
- The library is under the custodianship of the Chief State Law Advisor based on the nature of his or her office responsibilities, accountability is intertwined with the office of the Chief Financial Officer as the custodian of asset management.

8. DONATIONS

In the event of the department receiving library books as a donation from the public and in-house libraries, the donation will be accepted in terms of Treasury Regulation, par 21.2.1. Such donations will be recorded on the asset register for library books. If the donor does not specify the market value of the library material donated, the books will be valued on the fair value principle and recorded as such.

NB: Any library material that is found in the library and does not appear on the register may not **meet the definition of an asset in the library**, also officials may unintentionally bring and leave their private material in the library, such material would be identified and removed.

9. LOST AND DAMAGED BOOKS

The safekeeping of library material is the responsibility of the official with custody of the thereof. Should a loss to the library material occur, such loss should be reported to the **librarian** who will report it to the loss control officer. Books would automatically be declared lost if not returned in 45 days

Should it be established that the loss occurred as a result of negligence by an individual responsible the cost of replacing the material should be recovered from that official.

The asset manager will maintain a loss control register for all library material reported as being lost. Such losses will remain on the loss control register while the investigation processes are underway. Library material reported lost will remain on the loss control register for two (2) financial years while investigations are conducted. If not found, it will be disposed of. Charges for damaged or lost material would be the replacement value of the material. Replacement of material must be the same edition as the lost item or a newer version.

10. USEFUL LIFE

Library material will be maintained to keep it in good working condition and extend its useful life. The estimation of the useful life will be a matter of judgment based on the experience of the department with similar assets

11. DISPOSAL

Material not needed, damaged or battered and no longer useful, would be disposed of by means of donation or be discarded

12. FAIR EVALUATION

When it is not practicable to obtain the original invoice price to measure its library material for recording purposes, OTP shall make use of National Treasury's prescribed valuation methods when assessing fair value of library material.

Grade	Description	Condition Description
1	Good	New, appears new, well maintained. Continue with planned maintenance.
2	Fair	Clearly evident deterioration (10-20%). Significant maintenance required.
3	Poor	Significant deterioration. Significant impairment of performance. Significant maintenance required.

13. RISK MANAGEMENT

Risk management relating to library material shall be within a wider context of wider risk management efforts of the department as per its risk management strategy.

14. CONCLUSION

This policy shall be reviewed on annual basis to update with developments/instructions/practice notes by either National or Provincial Treasuries.

Endorsed by: Senior Management