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Subsistence and Travel Policy for Gauteng CET Colleges

GAUTENG
Community Education and Training
CET COLLEGE

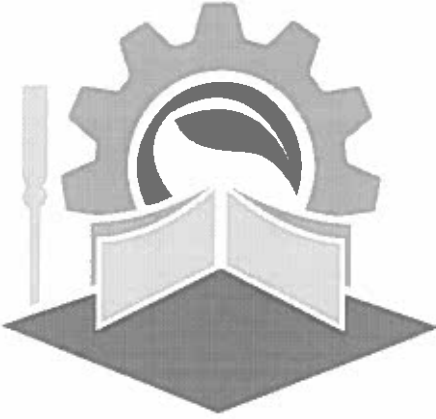
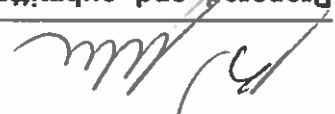
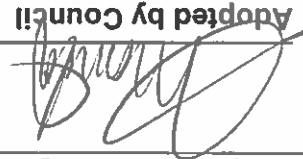


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1. Legislative framework and best practice regulations

Name of CETC: Gauteng Community Education and Training College		Subsistence and Travel Policy		Department: Finance Responsibility : Accounting Officer	
Prepared and submitted by  the Accounting Officer to Council		Adopted by Council  (Signed by Chairperson obo Council)		Date: 08/5/2017	
Implementation Date: 22/5/17		Date: 08/5/17			

Amendment No.	Amendment description	Originator	Approved By	Date

AMENDMENT AND APPROVAL RECORD

3. Purpose

2.3 Best practice adopted from the National Treasury Instruction 01 of 2013/2014 states that all entities must implement measures to contain operational costs and eliminate all non-essential expenditure.

2.2 Best practice adopted from Section 11.2.1 of National Treasury Regulations of March 2005 states that the Accounting Officer of an institution must take effective and appropriate steps to timely collect all money due to the institution including, as necessary, maintenance of proper accounts and records for all debtors, including amounts received in part payment.

2.1 Best practice adopted from Section 8.1 of National Treasury Regulations of March 2005 - Expenditure management - Responsibility of the Accounting Officer: states that the Accounting Officer must ensure that internal procedures and internal control measures are in place for payment approval and processing. These internal controls should provide reasonable assurance that all expenditure is necessary, appropriate, paid promptly and is adequately recorded and reported.

Best practice advice is given by Section 45(b) and (c) of the PFMA which places the onus on each official within the College to take responsibility for the effective, efficient, economical and transparent use of financial and other resources within that Employee's area of responsibility. In particular, the Employee must take effective and appropriate steps to prevent, within that Employee's area of responsibility, any unauthorised, irregular, fruitless and wasteful expenditure.

2. General principles

- a) CET Colleges Act No. 16 of 2006, (as amended) (formerly the ABET Act);
- b) Public Finance Management Act, 1999 (Act No 1 of 1999 as amended by Act 29 of 1999) (PFMA);
- c) National Treasury Regulations of March 2005;
- d) National Treasury Instruction 01 of 2013/2014 (Cost containment measures);
- e) Income Tax Act No. 58 of 1962 (Income Tax Act);
- f) Labour Relations Act No. 66 of 1995 (Labour Relations Act);
- g) Public Service Act of 1994 (as amended) (Public Service Act);
- h) Public Service Regulations of 2001; and
- i) Senior Management Services Handbook 2003 Edition.

Key principles contained in the following legislation and best practices were applied to develop this policy:

4. For the purpose of this Subsistence and Travel policy is to set uniform guidelines for staff and officials of the College when the need arises to travel to other cities, towns and regions on College authorised business and International travel as defined.
4. Definitions, acronyms and abbreviations
- For the purpose of this policy, unless the context indicates otherwise, the following definitions, acronyms and abbreviations are set out for the terms indicated:
- 4.1 **"Accounting Officer"** – is the College Principal.
- 4.2 **"Advance"** - is an amount of money granted by an employer to an Employee to incur business-related expenses on behalf of the College, with an obligation on the Employee to prove or account to the employer for the business-related expenditure. The amount of the advance is based on the anticipated business-related expenditure.
- 4.3 **"Allowance"** - is an amount of money granted by the College to an Employee to incur business-related expenditure on behalf of the College, without an obligation on the Employee to prove or account for the business-related expenditure to the College. The amount of the allowance is based on the anticipated business-related expenditure and may be defined by a College directive from the Accounting Officer.
- 4.4 **"College", "CETC"** – is a Community Education and Training College.
- 4.5 **"Day"** – is a twenty-four-hour period as a unit of time, reckoned from one midnight to the next.
- 4.6 **"Department": "DHET"** – is the Department of Higher Education and Training.
- 4.7 **"Duty"** – is approved official College business /or core activities.
- 4.8 **"Employee"**- is any official, employed by the College, irrespective of grade, full-time or part-time, Council or Department appointed, or paid on a salaried or an hourly/daily individual basis.
- 4.9 **"Incidental cost"** - is an expense which is incidental to but not necessarily incurred in performing the duties of employment whilst away on business.
- 4.10 **"Meal"** – is any food / refreshment that an Employee is entitled to whilst on official College business away from the workplace.
- 4.11 **"Night"** - is the time between sunset and sunrise.

- 6.1 For purposes of implementing this policy, any approval for subsistence or travel must be in accordance with the College's existing delegation of authority.
- 6.2 An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such a workshop or event. The required authorization must still be obtained from the Accounting Officer or his delegated nominee.
- 6.3 Employees or officials who travel on official College business are representatives for the College, their conduct must be in the best interests of the College and they must comply with any specific mandates they have been given.
- 6.4 Employees or officials to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any representative fails to do so, the Accounting Officer, may recover all allowances and disbursements paid to attend such event, provided that the

6. Responsibilities of officials travelling on business trips

This policy applies to all officials of the College who are travelling on approved College business and as such are formal representatives of the College.

5. Scope

- 4.12 "Official" - is:
 - an Employee of the College, or
 - a person seconded to the College to work as a member of the staff, but excludes outside Council members.
- 4.13 "Reimbursement" – is the reimbursement of business-related expenses incurred and paid for by an Employee, on behalf of an employer, without having had the benefit of an allowance or an advance, and is subsequently reimbursed for the exact expenditure, by the employer, after having proved and accounted for the expenditure to the employer.
- 4.14 "SARS" – is the South African Revenue Services.
- 4.15 "Subsistence and Travel claim" – is the compensatory payment to College Employees for expenses incurred whilst away from their normal place of duty.
- 4.16 "Travel: Domestic" – is travel within South Africa.
- 4.17 "Travel: International" is travel to any country outside Southern African, SADC region.

- official is afforded an opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.
- 6.5 For any official trip, a trip authority form (refer to *Annexure C*) shall be completed and approved prior to the trip being undertaken.
- 6.6 Prior approval by Council is required for all international trips. In addition the Minister or DHE Director-Generals (DG) approval is required.
- 6.7 International travel must be limited to meetings or events that are considered absolutely critical and the number of Employees attending such meetings or events must be limited to those Employees that are directly involved in the subject matter related to such meetings or events.
- 7. Consideration of travel and accommodation applications**
- 7.1 Any person intending to travel, shall provide, in writing, to the Accounting Officer or his delegated nominee, as a minimum the following details:
- 7.1.1 The purpose of or necessity for travel, in adequate detail, to enable a decision to be taken;
- 7.1.2 The destination;
- 7.1.3 The host or receiving party;
- 7.1.4 The nature of the meeting, proceeding or discussion, necessitating travel;
- 7.1.5 The duration of the visit including travel time; and
- 7.1.6 Any other relevant information and supporting documentation.
- 7.2 The motivation for the trip shall be supplemented by the following:
- 7.2.1 Mode and cost of travel, including taxes, toll fees, visa and permit costs and other incidental expenses;
- 7.2.2 Travel costs at destination if these are to be met by the College;
- 7.2.3 Any other necessary costs or anticipated costs.
- 7.3 Where the trip is sponsored, the Employee shall provide:
- 7.3.1 Full disclosure of the benefit in accordance with the College's control of gifts and donations policy;
- 7.3.2 Full details of the donor or sponsor;
- 7.3.3 Full costs of the trip;
- 7.3.4 Any other relevant information.
- 7.4 The following considerations shall apply when planning and motivating for travel and accommodation:
- 7.4.1 Sharing of transport where feasible;
- 7.4.2 Domestic hotel accommodation may not exceed one thousand three hundred rand (R1,300) per night per person, (including vat, dinner, breakfast and parking, and for Senior Management laundry)

- 8. Accommodation and subsistence allowances**
- 7.5 The following considerations shall apply in selecting or nominating an official as a representative of the College:
- 7.5.1 The experience, ability and suitability of the person to best represent the College;
- 7.5.2 A direct link between the person nominated and the nature and purpose of the visit;
- 7.5.3 The opportunities for learning, tutoring and mentorship afforded by participation in or observation of proceedings;
- 7.5.4 Travel and the allowances related thereto should not be seen as an additional source of income;
- 7.5.5 In the event of a dispute arising in the selection of a person, the decision of the Accounting Officer shall be final and binding.
- 8.1 Representatives who travel on the business of the College, where the business unavoidably entails one or more nights to be spent away from home, may stay in a hotel, motel, guesthouse, lodge or bed and breakfast establishment.
- 8.2 The College should appoint a travel agent, in accordance with the Supply Chain Management Policy, to undertake all travel and accommodation bookings and matters related to or incidental thereto.
- 8.3 At least three quotations must be obtained for all accommodation from the supplier database where the college sources accommodation directly and not through the appointed travel agent.
- 8.4 For local travel, and where accommodation, breakfast and dinner has been paid for by the College, a daily subsistence allowance of R103 (one hundred and three rand only) per day may be paid to the official to defray incidental expenses. This allowance is applicable to the year of assessment commencing 1 March 2015 and may be reviewed annually.
- 8.5 For overseas travel, and where accommodation, breakfast and dinner has been paid for by the College, a daily subsistence allowance according to the prevailing SARS rate may be paid to the official to defray the cost of meals and incidental expenses.
- 8.6 For local travel, if a representative stays with a relative or friend, no accommodation may be claimed. However, the representative may claim an allowance R335 (three hundred and thirty five rand only) per day.
- 8.7 An Employee may claim a subsistence allowance only if the trip relates to the official business of the College, the application to travel has been approved

9. Subsistence and travel advances

- and the business unavoidably entails one or more nights to be spent away from home.
- 8.8 A subsistence allowance does not cover any personal recreation such as visits to a gym, cinema, theatre, nightclub or sightseeing.
- 8.9 Overnight accommodation must be limited to instances where the total return distance by road (taking into account the number of days), exceeds 500 (five hundred) kilometres.
- 8.10 No subsistence allowance is payable for travel between campuses of the college.
- 8.11 In cases where the College's officially appointed travel agent did not make the reservation, payment of overnight accommodation for officials shall be paid directly into the account of the hotel or guesthouse by the Finance department of the College once all supporting documentation have been submitted to the Finance Department.
- 8.12 Requests for reservations and payment must be submitted by the relevant official at least seven days prior to embarking on an approved trip to provide the administration and finance department sufficient time to process the reservation and payment.
- 8.13 All expenditure incurred on official business shall be claimed using a subsistence and travel claim form, within 30 days of return to the College (*refer to Annexure B*). Where the claimant has drawn an advance, the advance must be offset against the claim.
- 8.14 All proof of expenditure must be submitted together with the claim form.
- 8.15 Claims for meals are prohibited if the hotel rate already includes dinner and/or breakfast or if the conference fee includes lunch and/or dinner.
- 8.16 All supporting documentation such as the trip authorisation form, travel itinerary, confirmation of bookings, invitations, agendas etc., must be attached to the claim form.

- 9.1 Officials, who have been granted approval by the College to travel overseas on official College business, may require advance funding to meet their daily expenditure. Such officials may request an advance by completing a subsistence and travel advance form which is approved by the Accounting Officer and submitted to the Finance Department, for payment, at least seven days before they are due to travel.
- 9.2 The amount of the subsistence and travel advance requested may not exceed 50% of the anticipated expenses during the period of absence, and incidental expenses shall not be included.
- 9.3 Subsistence and travel advances may only be utilised for the purposes indicated on the application form. If not, the advance must be repaid to the College with immediate effect.
- 9.4 The claim must be substantiated by attaching proof of the travel to be made, such as an invitation from the overseas host. The following details must be provided prior to payment of the relevant order:
- 9.4.1 Purpose of the activity;
- 9.4.2 Duration of the activity (date/s and time/s);
10. Payment
- 10.1 The Payment of the Subsistence and Travel allowance must be processed via the Payroll system and paid electronically into the Official's bank account.
11. Subsistence and travel advance recovery
- 11.1 The official must complete a full reconciliation of the Subsistence and Travel allowance received within 30 days of his return to the College, and submit it to the Payroll department after the Accounting officer or his/her delegated official has approved the claim.
- 11.2 The following procedures must be followed:
- 11.2.1 On return to the College, the official will prepare a claim for all expenses incurred in the performance of his official college duties while overseas. Advances must be offset against the claims. The onus for approval rests with the Accounting Officer or his/her delegated official.
- 11.2.2 Once the claim has been approved by the Accounting officer or the delegated official, the official must submit the claim to the Payroll department for payment.
- 11.2.3 In the event of unspent advances i.e. the advance was less than the expenses claimed; the official concerned shall refund the unspent advances via an electronic funds transfer into the College's bank

account on the day of submission of the claim; or may approve the amount to be deducted from payroll.

12. Mode of transport

- 12.1 College vehicles/Car hire
- 12.1.1 Trips in College vehicles must be optimised to reduce costs.
- 12.1.2 Where no College vehicle is available, then the most economical mode of transport must be utilized.
- 12.1.3 The College may not hire vehicles from a category higher than Group B or an equivalent class;
- 12.1.4 Where a different class of vehicle is required for a particular terrain or to cater for the special needs of an Employee, such a vehicle may only be hired with the prior written approval of the Accounting Officer;
- 12.1.5 Car rental must be approved on the travel authorization form before the trip is embarked on.
- 12.1.6 Individual staff members shall be responsible for any traffic fines and other non-compliances with the National Road Traffic laws and regulations.
- 12.1.7 An Official who rents a vehicle whilst travelling on official College business, without having received authorization, will not be reimbursed.
- 12.2 Private transport
- 12.2.1 Where the College Official intends using his/her privately owned vehicle for the official trip, this shall be approved by the Accounting Officer on the trip authorization form, prior to the use of private transport.
- 12.2.2 The distance to which the reimbursement applies, must be the shortest distance between the departure and arrival points.
- 12.2.3 Where the possibility arises, representatives must travel together, up to a maximum of four people per vehicle, to minimize travelling expenses.
- 12.2.4 In cases where Officials make use of their own personal transport, they will be reimbursed at the rate determined by the Department of Transport's Notice: "Tariffs for the use of Motor Transport" as distributed monthly by the DHET.
- 12.2.5 It must be clearly stated that the use of private transport only applies in exceptional cases.
- 12.3 Class of air travel
- 12.3.1 All flights taken by the Officials of the College shall be in economy class.
- 12.3.2 The Accounting Officer may approve the purchase of business class tickets only for Employees with disabilities or for those with special needs.

The College is not liable for the payment of:-

14. Indemnity

- 13.6 On return from international visits, the respective officials must submit to the Accounting Officer a written report, regarding the value-add, experience and benefits achieved. If the Accounting Officer travels, the report must be submitted to Council.
- 13.5 Any reasonable, approved actual miscellaneous expenses will be refunded against proof (receipt/invoice) of payment.
- 13.4 The College will reimburse the costs of visas for countries to be visited in accordance with the official visit.
- 13.3 The value of the subsistence allowance will be calculated against an exchange rate obtained from the College's official bankers, as listed, five (5) working days before the actual departure date indicated on the plane ticket or reservation which must accompany the request for the subsistence allowance. This exchange rate will be according to the currency of the specific country to be visited.
- 13.2 The College official travelling on an approved business visit will be required to arrange his/her own vaccinations, medications prior to embarking on a trip. The cost of such prior trip expenditures incurred will be reimbursed by the College on the actual cost basis, upon producing a valid tax invoice from the service provider.
- 13.1 Any representative embarking on an overseas visit must request his/her subsistence allowance not later than seven (7) working days before actual date of departure.
- All international travel whether by Employees or Council members must have Minister or DHET DG approval.

13. International Travel

- 12.3.3 The Accounting Officer may not, under any circumstances, purchase or approve the purchase of air tickets for first class travel.
- 12.3.4 To the extent feasible, air travel must be properly planned to ensure that restricted airline tickets are used as opposed to the more expensive flexible tickets.

- 14.1 any damage to, or breakages to, or loss of, an official's vehicle that he/she may incur whilst on official business. The Official is responsible for his own costs including the insurance of his vehicle; and
- 14.2 any traffic fine issued to an Employee whilst on official business, whether he/she used his/her own vehicle or an official vehicle.
- 15. Adoption of policy**
- This policy is effective from the date on which it is adopted by the Council.
- 16. Availability of subsistence and travel policy**
- A copy of this policy, and other relevant documentation, should be made available on the College website and it should be communicated to all incumbent staff and new recruits.
- 17. Annual review of policy**
- This policy will be subject to an annual review by College management to ensure its relevance. Colleges should forward any inputs and recommendations to the CET Branch of the DHET, for possible consideration, during the annual review process.
- Any recommended changes agreed by the Department to the Subsistence and Travel Policy should be presented to the College Council for adoption.

<p>A. DETAILS OF CLAIM</p> <p>1.1 MILEAGE CLAIM:</p> <p>NAME: _____</p> <p>EMPLOYEE NO.: _____</p> <p>VEHICLE MAKE AND MODEL: _____</p> <p>ENGINE CAPACITY: _____</p> <p>TARIFF: _____</p> <p>TOTAL OFFICIAL KILOMETERS TRAVELLED _____ KM</p> <p>AMOUNT OF CLAIM: _____ (TOTAL KILOMETERS) X _____ CENTS</p> <p>PER KM = R _____</p> <p>1.2 CLAIM FOR OTHER EXPENSES (TOLL FEES, PARKING)</p> <p>PARKING _____</p> <p>TOLL FEES _____</p> <p>TOTAL CLAIM FOR OTHER EXPENSES: R _____</p> <p>1.3 TOTAL OF EXPENSES (1.1 + 1.2)</p> <p>TOTAL OF 1.1 _____</p> <p>TOTAL OF 1.2 _____</p> <p>= _____</p> <p>TOTAL CLAIM AMOUNT: R _____</p>	<p>B. DECLARATION</p> <p>I certify that the details above are correct:</p> <p>SIGNATURE OF CLAIMANT _____</p> <p>POSITION _____</p> <p>DATE _____</p>
<p>C. APPROVAL</p> <p>I certify that the official trips were necessary and in the interest of the College. Payment approved/amended/turned down</p> <p>SIGNATURE OF HEAD OF UNIT _____</p> <p>POSITION _____</p> <p>DATE _____</p>	<p>A. DETAILS OF CLAIM</p> <p>1.1 MILEAGE CLAIM:</p> <p>NAME: _____</p> <p>EMPLOYEE NO.: _____</p> <p>VEHICLE MAKE AND MODEL: _____</p> <p>ENGINE CAPACITY: _____</p> <p>TARIFF: _____</p> <p>TOTAL OFFICIAL KILOMETERS TRAVELLED _____ KM</p> <p>AMOUNT OF CLAIM: _____ (TOTAL KILOMETERS) X _____ CENTS</p> <p>PER KM = R _____</p> <p>1.2 CLAIM FOR OTHER EXPENSES (TOLL FEES, PARKING)</p> <p>PARKING _____</p> <p>TOLL FEES _____</p> <p>TOTAL CLAIM FOR OTHER EXPENSES: R _____</p> <p>1.3 TOTAL OF EXPENSES (1.1 + 1.2)</p> <p>TOTAL OF 1.1 _____</p> <p>TOTAL OF 1.2 _____</p> <p>= _____</p> <p>TOTAL CLAIM AMOUNT: R _____</p>

ANNEXURE A: CLAIM FOR UTILISATION OF VEHICLE (RECOMMENDED FORMAT NOT PRESCRIPTIVE)

D. PAYMENT CHECK

I certify that the claim has been checked and that the calculations made are accurate.

SIGNATURE
ASSISTANT DIRECTOR - FINANCE

SIGNATURE
ACCOUNTING OFFICER

DATE

ANNEXURE C: TRIP AUTHORISATION
(RECOMMENDED FORMAT NOT PRESCRIPTIVE)

TRIP AUTHORISATION FORM

Applicant's particulars:

Employee No.....Cell Number.....
Title.....Name.....
Surname.....
Private / Subsidised /SMS Vehicle Request

Business Unit.....
Purpose of Journey:

.....
.....
.....
Date: From..... To.....
Place of Departure.....
Place of Arrival.....
Make of Vehicle

..... Engine Capacity.....
Approval of Trip

Signature of applicant.....Date.....
Name of authorized official.....Date.....
Signature of authorized official.....

Trip authorisation forms must be approved prior to the trip being conducted

ANNEXURE D FLIGHT, VEHICLE HIRE, AND ACCOMMODATION REQUEST FORM
 (RECOMMENDED FORMAT NOT PRESCRIPTIVE)

Applicant's particulars:

Employee No: Cell Number
 Title: Name
 Surname
 Business Unit:

1.	Flight Arrangement Ref:
	From Airport.....
	Date and Time of Departure.....
	To Airport.....
2.	Flight Arrangements (Return)
	From Airport.....
	Date and Time of Departure.....
	To Airport.....
3.	Flight Arrangements
	From Airport.....
	Date and Time of Departure.....
	To Airport.....
	Time of Arrival.....
4.	Special Arrangements.....
<hr/>	
	Vehicle Hire Request Ref:
5.	Place of Departure.....
	Date and time needed.....
6.	Special Arrangements.....
<hr/>	
7.	Place of Arrival.....
	Date and time of Return.....
	Approximate kilometers to be travelled.....
<hr/>	
8.	Accommodation Request Ref:
	City /Town.....
	Preferred hotel.....
	Date of arrival.....
	Date of Departure.....
	Special Arrangements.....

**ANNEXURE E: GOVERNMENT GAZETTE NO. 37333: DETERMINATION OF THE
DAILY AMOUNT IN RESPECT OF MEALS AND INCIDENTAL COSTS FOR
PURPOSES OF SECTION 8(1) OF THE INCOME TAX ACT**

LAPD-LSec-IT-GN-20
14-01 - Notice 114 G



