

## UNIVERSITY OF PRETORIA

### DEPARTMENT OF FINANCE

#### DOMESTIC TRAVEL: ALLOWANCE IN RESPECT OF ACCOMMODATION AND SUBSISTENCE EXPENSES

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The allowances paid in respect of accommodation and subsistence expenses for domestic travel have been amended with effect from **1 March 2011**. The allowances cover an employee spending at least **one night away from his/her usual place of residence for business purposes**. (The tariffs are also applicable in cases where the University is obliged to cover the expenses of visitors).

##### Option 1:

Personnel of the University who undertake travel will be paid an allowance for meals and incidental expenses according to rates as provided by the South African Revenue Service. There is no taxable consequences for the staff member should the allowance be sufficient to cover the staff member's expenses.

##### Option 2:

Should this allowance not be sufficient, the member of staff may claim the actual expenses from the University by submitting supporting documents for the full cost of the trip provided that funds are available, and with the approval of the relevant line manager. The allowance in this option will be deemed taxable and included on the staff member's IRP5 form.

##### General

- Line managers (vice-principals, deans, directors, and etcetera) are allowed to reduce the above-mentioned allowances in cases where a shortage of funding necessitates such a step.
- Reimbursement will be calculated on the number of nights away from home.
- The norm for all claims should be that it is the most cost effective travel method should be claimed; therefore the lowest cost will be reimbursed.
  - 3,000 km to Cape Town (return) at R5 per km = R15,000 vs. flight ticket of R2,500.
- Any deviation from this policy must be approved by the Dean.

##### Procedure

- Accommodation

An official purchase order must be compiled for accommodation. If not, the accommodation must be approved by the procurement manager prior to the trip.

- Daily allowance can be paid as follows:
  - An advance before the trip: (refer to [A09/10](#))
    - Apply for an advance before the trip and stipulate your daily allowance as per SARS. Application for an advance can be done on [A68/96](#).
    - Settle the advance by submitting the "Settlement of Advance" form – [A10/10](#).
    - The application form must be accompanied by a **copy of the purchase order** (if applicable) for the accommodation that stipulates the type of accommodation (e.g. Room only) and the dates of arrival and departure. More information regarding an advance can be obtained from [A09/10](#).
  - A reimbursement after the trip:
    - Submit a claim-form ([A50/01](#)) for reimbursement that stipulates your travel detail.
    - The form must be accompanied by a **copy of the invoice** and **proof of payment** for the accommodation that should stipulate the type of accommodation (e.g. Room only) and the dates of arrival and departure.

Accommodation	DOMESTIC TRAVEL				
	Meals included in rate tariff provided by hotel / conference etc.  *** Not separately indicated on the invoice  (4)	Daily Allowance(Meals and incidentals)			
		Scenario 1:		Scenario 2:	
		<p><b>The total cost (accommodation and allowance) must not exceed R1400.</b></p> <p><b>Daily allowance will be reduced accordingly</b></p>		<p><b>Staff member is compelled to stay in hotel where rates mean that the total cost (Accommodation plus deemed expense) exceeds R1400.</b></p> <p><b>Authorisation must be obtained from line manager for the total cost involved (accommodation and meals) prior to the trip</b></p>	
		Option1	Option 2	Option 1	Option 2
		Deemed expense: No supporting documentation needed	Supporting vouchers for actual expenses	Deemed expense: No supporting documentation needed	Supporting vouchers for actual expenses
No		R 286 (1)	Not applicable	Not applicable	Not applicable
Yes	No meal	R 286 (1)	Actual with restriction(5)	R 286 (1)	Actuals limited to the line managers approval – cost exceeding approval will be limited
Yes	1 meal	R 218(2)	Actual with restriction(5)	R 218(2)	
Yes	2 meals	R 150 (2)	Actual with restriction(5)	R 150 (2)	
Yes	All meals	R 88 (3)	Not applicable	R 88(3)	Not applicable

## Notes

### Reimbursement: Deemed expenses

- (1) An allowance of **R286** per day will be paid, without the requirement to submit supporting documentation. (Accommodation is on a room only basis) as stipulated by SARS.
- (2) Accommodation includes certain meals – Refer to the above table for reimbursement guidelines.
- (3) Accommodation includes all meals - An amount of **R88** a day will be paid for incidentals as stipulated by SARS. (Incidentals are newspapers and snacks, for example)
- (4) Meals indicated separately on the invoice need to be deducted from the deemed amount. Also see note 2 in conjunction with note 4.

### Reimbursement: Actual expenses

- (5) Actual expenses will be reimbursed limited to the above mentioned restriction of R1 400 for the total cost (accommodation plus daily allowance).

## Examples

### Example 1: Stay in hotel on Room-only basis (Scenario 1 )

**Hotel Rate – R 900 Room only**

Daily Allowance : An amount of	R 286	with no supporting vouchers for actual expense
or reimbursement to a maximum of	R 500	with supporting vouchers (R500 = R1 400 - R900)

### Example 2: Stay in Hotel with breakfast included (Scenario 1 )

**Hotel Rate – R 1 100 Breakfast included**

Daily Allowance : An amount of	R 218	with no supporting vouchers for actual expense
or reimbursement to a maximum of	R 300	with supporting vouchers (R300 = R1 400 - R1 100)

### Example 3: Stay in Hotel with breakfast included (Scenario 1 ) – Meal indicated separately on Invoice

**Hotel Rate – R 1 100 Breakfast indicated on Invoice**

Daily Allowance : An amount of	R 196	Breakfast (R90) included in R1 100 with (R286 - R90) no supporting vouchers necessary
or reimbursement to a maximum of	R 300	with supporting vouchers (R300 = R1 400 - R1 100)

### Example 4: Stay in Hotel with 2 meals included (Scenario 2 )

**Hotel Rate – R 1 350 2 meals included**

Hotel Rate and 2 meals:	R 1 350	Exceeds restriction (R1 350 + 150=R1 500 : > R1 400 restriction) Authorisation must be obtained from line manager.
Daily Allowance : An amount of	R 150	no supporting vouchers for actual expense