



**POLICY ON OVERNIGHT SUBSISTENCE ALLOWANCE
– DOMESTIC**



TITLE AND COPYRIGHT

Title	POLICY ON OVERNIGHT SUBSISTENCE ALLOWANCE – DOMESTIC
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1. PURPOSE OF POLICY ON OVERNIGHT SUBSISTENCE ALLOWANCE - DOMESTIC

It is the policy of the University of Venda that subsistence allowances be paid to staff members, in conjunction with the rules set out by the South African Revenue Service (SARS).

2. RULES

2.1 The tax-free overnight subsistence allowance is set according to SARS rates. These amounts will be paid in respect of S&T irrespective of where the amount is paid from. For example, if S&T is incurred for a particular funded project and the funder has budgeted for S&T at rates higher than these, then these rates will apply. Where the funder has budgeted at lower rates, then the lower rate applies.

The value of the expenditure in the following options will be reflected on the staff member's IRP5 at the end of the financial year.

- 2.1.1 This pertains to staff members who perform their duties away from the office and their homes, and who therefore may claim the fixed SARS allowance for that evening. No supporting documents are needed to substantiate the expenses. Should the staff member opt for this alternative, no additional expenses may be claimed.
- 2.1.2 The staff member may incur the total subsistence costs through own direct payment and claim back on submission of supporting documents. It is imperative that the staff member stays within the tariff as stipulated in the tariff list compiled yearly by the Finance Department.
- 2.1.3 Plan accommodation in advance through the UNIVEN Procurement or the proposed service provider for pre-payment arrangements.
- 2.2 In order to enable Procurement Services to make alternative arrangements, should reservations not realise for reasons beyond their control, it is required that the application reach them at least seven days before departure.
- 2.3 Air tickets will be received by Procurement Services, who will notify the person to collect them.
- 2.4 Deans'/Directors' personal applications must be approved by their EMC members.

Tax-Free Overnight Subsistence Allowances: Drivers

- a) If a driver has to stay overnight on campus in order to depart on a trip before normal working hours start the next morning, he/she qualifies for the official allowance.
- b) If a driver returns to his/her station after normal working hours, he/she qualifies for the official allowance.



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- c) If a driver was on a trip before and after normal working hours, he/she qualifies for reimbursement of expenses occurred.
 - d) If, however, a driver stays overnight away from his station, he/she qualifies for the fixed tariff as indicated by SARS, or the other options as stipulated above may be followed.
 - e) If the services of a driver are requested by a department/section, the abovementioned also applies.

The above costs are for the account of the department/section applying for the service.

3. PROCEDURE (excluding drivers)

- 3.1 A trip may only be undertaken if properly authorised at least one week in advance using the prescribed form 19a. The authorisation will not be granted if:
 - There is no satisfactory motivation by the traveler as to why the trip should be undertaken. The motivation must be made using the approved request for travel format;
 - There is no indication of where the costs are to be paid from. If from UNIVEN, the traveler must show evidence that there is a budget for the trip. If from other sources i.e. project or research funds etc., the traveler must include a page from the contract indicating that the trip is relevant to the business in the contract and that there are sufficient funds in the project to cover this; and
 - In addition, for all conferences, seminars, and research travel, the approval of the Director of Research must also be on the form.
- 3.2 Bookings at the Procurement must be done on the application form, approved by the director/department head of the department/section concerned. Any car hire has to be cleared and reserved with the UNIVEN Procurement. The Travel form for the booking of travel and subsistence is also used for this.
- 3.3 Application for payment is made on a Financial Claim Form and submitted to the Creditors department, bearing in mind the rules as stipulated in the **POLICY ON CREDITORS-INTERIM PAYMENTS**.
- 3.4 Where the travel is in respect of seminars, conferences, projects or research, in other words everything except official UNIVEN meetings, the staff member **MUST** present a short synopsis of the time away from office and describe what was achieved and how the university will benefit. Without such a report accompanying the S&T claim, there will be no payment. The S&T will only be paid out if the proper form is completed and signed by the relevant line manager.



3.5 S&T is only paid in arrears and staff members are expected to cover their own costs and claim S&T on their return. On application and prior approval of the line manager, advance payments may be considered.

4 FORMS

4.1 Financial Claim Form

4.2 Booking Form for flights, motor hire and hotel bookings

5 RELATED POLICIES AND DOCUMENTATIONS

Policy on creditors- interim payments

6 REGULATORY FRAMEWORK

GAAP

King III report on Corporate Governance

Higher Education Act (Act 107 of 1997)

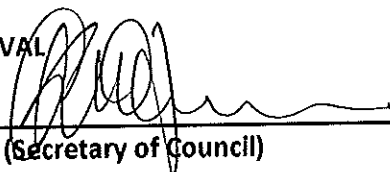
7 REVIEW DATE

This policy will be reviewed after three years or as and when the need arises.

8 RECORD OF CHANGES

REVISION	DATE	AUTHOR(S)	DESCRIPTION

9 APPROVAL



Registrar (Secretary of Council)

Handwritten initials