

MPUMALANGA PROVINCIAL GOVERNMENT



DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

TRAVELING AND SUBSISTENCE POLICY

Revision Date:.....None
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Approval Date.....None



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1. ABBREVIATIONS AND DEFINITIONS

1.1. ABBREVIATIONS

PFMA	:	Public Finance Management Act, 1999 (Act 1 of 1999)
GMT	:	Government Motor Transport
HOD	:	Head of the Department
CFO	:	Chief Financial Officer of the Department
DPSA	:	National Department of Public Service and Administration.
VAT	:	Value Added Tax

1.2. DEFINITIONS

Department	:	Mpumalanga Department of Public Works, Roads and Transport
Employee or	:	A person employed by the Department in terms of Public Service Act, 1994 (Proclamation No. 103 of 1994).
Month	:	A period extending from the first to the last day, both days inclusive, of any one of the 12 months of a year.
Allowance	:	A remuneration or reward awarded to an official for services rendered to the Department.
Official Trip	:	An authorized trip undertaken by an official for the execution of his or her duties to the benefit of the Department.
Domestic Trip	:	An official trip travelled within the Republic of South Africa.
Foreign Trip	:	An official trip travelled outside Republic of South Africa.
Designated representative:		An employee nominated to represent the department and / or unit within the Department.

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2. INTRODUCTION

Chapter 8 of Treasury Regulations, 2005, issued in terms of section 76 of PFMA provides that an accounting officer of an institution must ensure that internal procedures and internal control measures are in place for payment approval and processing.

3. OBJECTIVE

The purpose of this policy is to:

- 3.1. Ensure consistency and provide procedures, rules, regulations and guidelines with regard to payment and processing of Travel and Subsistence claims in the Department.
- 3.2. Ensure that internal controls are in place to provide reasonable assurance that all expenditure incurred by the Department in relation Travel and Subsistence is necessary, appropriate, paid promptly and is adequately recorded and reported.

4. REGULATORY FRAMEWORK

- 4.1. Constitutional Institution of the Republic of South Africa, 1996 (Act No. 108 of 1996).
- 4.2. Public Finance Management Act, 1999 (Act 1 of 1999)
- 4.3. Public Service Act, 1994 (Proclamation No. 103 of 1994)
- 4.4. Public Service Co-ordinating Bargaining Council (PSCBC) – Resolution no. 3 of 1999
- 4.5. Treasury Regulations, 2005

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5. SCOPE OF APPLICATION

The policy shall be applicable:

5.1. To all the employees of the Department

6. POLICY STATEMENT

6.1. SUBMISSION OF TRAVELING AND SUBSISTENCE CLAIMS

- 6.1.1. All subsistence and traveling claims shall be submitted to Salary Section at Head Office and Regional offices within 30 days after the month of travelling.
- 6.1.2. Claim submitted later than 30 days, after the end of each month of travelling shall only be considered if it is accompanied by a well motivated letter, approved by the relevant Senior Manager / Responsibility Manager.
- 6.1.3. Claims submitted later than 60 days, after the end of each month of travelling shall not be paid unless accompanied by a well motivated letter approved by the CFO.
- 6.1.4. Claims submitted later than 90 days, after the end of each month of travelling shall be regarded as invalid and shall not be paid unless accompanied by a well motivated letter approved by the HOD.
- 6.1.5. All fuel claims shall be submitted within 15 days after the month of travelling.
- 6.1.6. All fuel claims older than 30 days shall be treated as indicated in paragraphs 6.1.2 to 6.1.4 of this policy.

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6.2. DOMESTIC TRIPS

6.2.1. Bookings

- 6.2.1.1. Only approved and authorized service provider shall be utilised.
- 6.2.1.2. Trip authorization forms shall be authorized according to delegations.
- 6.2.1.3. Private accommodation claims shall be substantiated by a valid proof of payment and approved or authorized by delegated official.
- 6.2.1.4. Privately arranged accommodation (own accommodation) shall be paid at a rate determined by DPSA. (as per annual financial circular issued by DPSA).

6.2.2. Methods for claiming traveling and subsistence expenses [Domestic Trips]

- 6.2.2.1. Reasonable actual expenses for periods less than 24 hours shall be paid according to the limits set on the below table.
- 6.2.2.2. Valid proof of expenses must be provided and only maximum meal amount will be considered if reasonable.

ITEM DESCRIPTION	AMOUNT
Breakfast	R 80.00
Lunch	R 120.00
Dinner	R 150.00

- 6.2.2.3. Daily limit shall be R 150.00 where an official did not claim breakfast and dinner.

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6.2.3. Conditions for traveling and subsistence [Domestic Trips]

- 6.2.3.1. Travel and subsistence debts will be charged interest at a rate determined by the Minister of Finance.
- 6.2.3.2. Only officials who travelled outside a radius of 30 km (single trip) shall be reimbursed actual expenditure incurred on meals by Department.
- 6.2.3.3. The following shall not be claimed or reimbursed as actual expenses incurred on Traveling and Subsistence;
 - 6.2.3.3.1. Liquor or any alcoholic beverages
 - 6.2.3.3.2. Private telephone calls
 - 6.2.3.3.3. More than three meals per day
 - 6.2.3.3.4. Lunch, if traveled less than 30 km radius from work stations.
 - 6.2.3.3.5. Sweets (chocolate, bubblegum etc.)
 - 6.2.3.3.6. Raw meat excluding biltong.
- 6.2.3.4. The following shall be paid when actual expenses are claimed, provided that an invoice with a date, time and specification of the service / goods is attached to the claim:
 - 6.2.3.4.1. Accommodation expenses- reasonable accommodation expenses will be paid
 - 6.2.3.4.2. Laundry expenses (but not dry cleaning expenses)
 - 6.2.3.4.3. Parking fees and Toll fees

6.3. PAYMENT OF CLAIMS

- 6.3.1. All correct claims and those submitted before the supplementary run date shall be processed within 7 working days.
- 6.3.2. All electronic payments are paid on the 4th day from the date of the supplementary run, which is scheduled to take place every Monday.
- 6.3.3. Any claim that does not meet the requirements as indicated in "Annexure A" will be referred back to the claimant with an indication of the problem.
- 6.3.4. Returned claims shall be corrected and resubmitted to Salary Section within 7 days.

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6.4. FOREIGN TRIPS

6.4.1. Application and approval

- 6.4.1.1. The Executive Council shall authorise all trips to foreign countries.
- 6.4.1.2. An application for advances shall be submitted to Expenditure Section and accompanied by a copy of the approval from the Executive Council, stating the purpose of the trip, list of delegation, countries to be visited and other relevant documents.
- 6.4.1.3. Advances shall be paid using the currency rate of the country to be visited.
- 6.4.1.4. All advances shall be cleared within 30 days after undertaking the official trip and late submission shall be treated as indicated in paragraphs 6.1.2 to 6.1.4 of this policy.
- 6.4.1.5. Advances shall be cleared by salary section and shall be accompanied actual receipts or invoices, Executive Council approval, and other relevant documents.

6.4.2. Methods for claiming subsistence and traveling allowance [Foreign Trips]

An official shall be reimbursed the actual expenses for a period less than 24 hours or longer than 24 hours if the hosting country/s is not paying for the following items:

- 6.4.2.1. Daily allowance
- 6.4.2.2. Accommodation expenses
- 6.4.2.3. Laundry
- 6.4.2.4. Official telephone calls
- 6.4.2.5. Public Transport
- 6.4.2.6. Airport tax
- 6.4.2.7. Rental of cars (good motivation to be supplied)
- 6.4.2.8. Safekeeping of official documents

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6.4.3. Conditions for travelling and subsistence [Foreign trip]

The following shall not be claimed or reimbursed as actual expenses incurred on foreign trips:

- 6.4.3.1. Liquor or any alcoholic beverages
- 6.4.3.2. Private telephone calls
- 6.4.3.3. More than three meals per day
- 6.4.3.4. Sweets (chocolate, bubblegum etc.)
- 6.4.3.5. Raw meat excluding biltong.

6.4.4. Calculation of the period of absence

- 6.4.4.1. The calculation shall start from the time the official departs from place of residence or the office up to the time the official returns to the office or place of residence.
- 6.4.4.2. Only daily allowance of the final destination will be calculated.

6.4.5. Conditions

- 6.4.5.1. For every full hour in excess of 24 hours, or in excess of a multiple 24 hours, the daily allowance shall be paid at a rate determined by DPSA.
- 6.4.5.2. The exchange rate as on the first day of the trip or the rate on the day of exchange shall be used for the calculation.

6.4.6. What may be claimed if the host defrays expenses

- 6.4.6.1. If the host party defrays a part of the expenses, written proof from the host for that portion of costs shall be attached to the claim.
- 6.4.6.2. Should the host's daily allowance be more than the official's departmental daily allowance, the official shall receive the benefit of the higher allowance.

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6.4.7. Settlement of advance

- 6.4.7.1. Should an official fail to settle his/her outstanding advance for the second time he/she shall be charged with financial misconduct.
- 6.4.7.2. The advance shall be finalized; interest will be deducted in the first open salary month without any notice as per debt policy.

6.5. CELLPHONE CLAIMS

- 6.5.1. All cell phone applications shall be completed by an applicant and recommended by the relevant responsibility manager or Senior Manager.
- 6.5.2. Cell phone applications for salary level 12 and below shall be approved by the CFO on recommendation of the Finance Committees (Regional and Head Office Finance Committees)
- 6.5.3. Cell phone applications for SMS members shall be approved by the HOD on recommendation of the relevant Finance Committees (Regional and Head Office Finance Committees).
- 6.5.4. Cell phone claims shall be substantiated by a valid tax invoice issued by the relevant service provider and an approved application form.
- 6.5.5. All cell phone claims shall be submitted within 15 days after the end of each month.
- 6.5.6. All cell phone claims older than 30 days shall be treated as indicated in paragraphs 6.1.2 to 6.1.4 of this policy.
- 6.5.7. All cell phone claims shall be signed by an applicant and approved by relevant responsibility manager or Senior Manager.

6.6. BASIS FOR PROCESSING OF CLAIMS

- 6.6.1. Only claims that comply with the following requirements of this policy shall be processed:
 - 6.6.1.1. All claims shall be completed correctly and in full
 - 6.6.1.2. All claims shall be signed by the claimant, certified by the supervisor and approved by responsibility manager or duly delegated official.
 - 6.6.1.3. All the necessary supporting documents shall be attached to the claim as indicated on "**Annexure A**" of this policy.

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7. ROLES AND RESPONSIBILITIES

Responsibility and accountability for the successful implementation of this policy shall rests with all officials in the department

8. MONITORING AND EVALUATION

The Financial Accounting section shall monitor the implementation of the policy and shall report any deviations to the Head of the Department in writing.

9. POLICY REVIEW

The policy shall be reviewed to factor in changes in legal frameworks, organisational development, political and economic trends, and envisaged outputs by the Medium Term Expenditure Framework as well as outcomes of monitoring and evaluation.

10. APPROVAL

APPROVED



KM MOHLESEDI
HEAD OF DEPARTMENT

DATE : 13 / 01 / 2011

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ANNEXURE A

REQUIRED SUPPORTING DOCUMENTS FOR THE PROCESSING OF CELL PHONE AND SUBSISTENCE AND TRAVELING CLAIM PAYMENTS.

1. The following attachments or documents shall form part of the fuel claim
 - 1.1. Official using government vehicle. A copy of a trip authority and a Log sheet must be attached.
 - 1.2. Officials using subsidized vehicle shall attached approved itinerary, approved benchmark from GMT to the claim.
 - 1.3. Scheme B officials must also attached approval to use its private car for official used from GMT.
2. An invitation letter to attend courses, official functions, meetings shall be attached to the claims.
3. Proof of purchase (receipts) with machine printed dates if they are from the machines.
4. Hand written receipts shall have a VAT registration stamp on the back.
5. Dates on receipts should correspond with dates on the log sheet and itineraries.
6. The trip description, purpose, departure and arrival time should be indicated on the description page.
7. Amount of claim shall always be written.
8. Claimant name, date of claim and Persal numbers should be correct and clearly written
9. All designated signatories should sign where applicable.
10. No alcoholic beverages, sweets and cigarettes shall be paid.
11. Approval to undertake an official trip shall be attached to the car claim.
12. Approval to work paid overtime must be attached for the overtime claim.
13. Officials shall use the personal records as advised on the system or they should inform Human Resource (Recruitment Section) in case of changed surnames.
14. Code 0526 which is taxable, shall be used for officials who did not attach receipts as proof of purchase (Traffic officers)
15. Standby allowance, an approval with name list or duty rooster must be attached on the claim.
16. An approval letter to claim cell phone expenses shall be attached to the claim.
17. Original invoices from the service provider should be attached to the cell phone

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