

IAC Travel Policy

(Revised 21 November 2005), (Revised 19 November 2009), (Revised 03 June 2011)
(Revised 05 December 2014), (Revised 21 April 2017) (Revised 31 January 2018)

1. PREAMBLE

In the interest of good Governance of the Institute and to manage costs effectively, the following policies relating to travel expenditure is recommended.

2. AIRFARES

The Institute will pay the economy airfare for all Directors and staff who are required to attend executive and board meetings, including the annual general meeting and special meetings.

Every effort must be made to obtain the most economic commercial rates available, given the requirements of the traveler in terms of timing, availability of flights, etc.

In the event of the traveler choosing one of the “reduced fares” which have severe restrictions regarding changes, and should such changes be made at the request of the traveler / director, the difference becomes payable by the traveler / director.

3. ROAD TRAVEL

In the event of a traveler / director choosing to travel by road and using his / her own vehicle, he /she will be compensated in cash, for the price of an economy air ticket as stated above.

4. HOTEL ACCOMODATION

The Institute will pay for accommodation (preferably at a City Lodge, Town Lodge or a Road Lodge) for the evening before the date of the meeting and the night of the meeting. In the case of a two (2) night stay this must be authorized by the CEO or the President.

Accommodation could also be booked at other hotels provided that it does not cost more than one of the hotels in the City Lodge group (as mentioned above). Never the less if a director chooses to stay at another hotel which cost more than one of the City Lodge group, he or she will be liable for the difference.

Should a director decide to stay with family or friends, the institute will reimburse the director with 50% of the hotel cost of one of the City Lodge group hotels (as mentioned above) exclusive of VAT.

In the event of the Director electing to remain for a longer period of time, the additional costs will be for their own account.

Meeting times are set to start at 09:30 and is held in Johannesburg or Cape Town. It is envisaged that this allows sufficient time for traveling directors to fly in on the morning of the meeting. Should a director need to fly in the evening before the meeting, this has to be justified and authorized by the CEO or the President.

In view of the above, the Institute will only pay for one night accommodation (the night of the meeting) and only in exceptional circumstances, pay for two nights.

As this is coupled with the subsistence allowance and car rental, the same procedure would apply to these categories.

5. Car Hire

In the event of the director requiring the motor vehicle for a longer period of time, or an upgraded vehicle, these additional costs will be for the director's account. (directors are only allowed to book the cheapest category of vehicle). It is recommend that directors book with First Car Rental with the super cover and unlimited mileage.

Use of own Car

In the event of the director using his / her own vehicle to travel to or from meetings, the director may claim R4 per km. This must be read in conjunction with clause 3 above.

6. Subsistence Allowance (out of pocket expenses)

Inevitably, when traveling, one is required to meet "out of pocket expenses", e.g. purchase of newspapers, meals etc.

To compensate directors in this regard, an "out of pocket allowance" of R250 will be paid for every **full day** away from home for local travelling.

For overseas travelling the subsistence allowance rate will be double the rate of local travel i.e. R500 for every full day away from home for overseas travelling, however the subsistence allowance is only applicable from the date and time you arrive in a foreign country until the date and time you leave the country.

This must be read in conjunction with the policy reflected under accommodation.

It is recommended that the value of the allowance be revised on an annual basis i.e. on 1 January of each year.

7. Directors Meeting Allowance

It has been resolved in a board meeting (dated 5 December 2014) that directors be remunerated or compensated for the time spent in attending meetings on behalf of the Institute, except where a director or any other person (except a staff member) has been nominated to attend any conferences or meetings which will also benefit the attendee.

In this case the director or the attendee concerned will not be compensated with a meeting allowance.

Traveling Directors

Directors will be compensated to a maximum of eight (8) hours for each meeting attended during normal business hours.

Should a meeting be extended beyond normal business hours, compensation will be paid for every hour or part thereof, for the duration of the meeting.

A situation may arise where the President would request that the meeting continue until concluded instead of adjourning the meeting to a future date. In that case, Directors would be compensated to a maximum of 16 hours. The amount of time to be compensated for must be confirmed and agreed to by all present in the meeting.

Non Traveling Directors

Non traveling directors will be compensated for the actual time spent in the meeting.

The current meeting allowance is R400.00 per hour and is paid in increments of 15 minutes i.e. 1hr, 1.25, 1.5, 1.75 etc.

8. Attending conferences and meetings outside of the Republic

It is acknowledged that the institute would need and will attend conferences and meetings of organizations such as (PAFA, IFAC and other bodies which impact on the accounting profession etc.) Whilst we accept that it is better to send more than one representative to these meetings the Board resolved that in the interest of saving cost we will only send one delegate as a principle.

However if there is a strong reason or motivation for two persons to attend, this can be considered by the CEO who must motivate this decision. This must also be read in conjunction with clause 7 above

It is recommended that the value of the allowance be revised on an annual basis i.e. on 1 January of each year.