



Stellenbosch

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Finance Policy: Entertainment

Type of Document:	Policy
Purpose:	The policy organises the defrayal of entertainment from budget and non-budget funds, providing proof and the requirements for approval to claim back entertainment costs
Approved By:	Finance Committee
Date Approved:	14/11/2022
Date of Implementation:	01/01/2023
Date of Next Revision:	Annually – for limits
Date of Previous Revision(s):	15/04/2020
Owner¹:	Chief Operating Officer
Curator²:	Chief Director: Finance
Keywords:	Entertainment
Validity:	The English version of this regulation is the operative version, and the Afrikaans version is the translation.

SU Governance and Management Documents are available at www.sun.ac.za/policies

¹ Owner: Head(s) of Responsibility Centre(s) in which the policy functions.

² Curator: Administrative head of the division responsible for the implementation and maintenance of the policy

ENTERTAINMENT

Scope: The policy organises the defrayal of entertainment from budget and non-budget funds, providing proof and the requirements for approval to claim back entertainment costs.

Policy:

Any payments of entertainment costs are subject to the conditions listed below, the availability of funds and, where the functions are being paid out of earmarked third-stream funds, end users must ensure that the payments are subject to the donor's provisions of funding.

LIMIT ON ENTERTAINMENT

A maximum limit as per the categories below will be linked to entertainment and the amount will be updated at the end of every year for the following year by the Director: Financial Services based on the inflation rate used for the following year's budget and after approval of the amount by the Chief Director: Finance.

This limit includes all meals, drinks and tips. Tips will be limited to 15% of the account.

Where the limit is exceeded, this has to be submitted for approval to the head of the centre of responsibility or his/her delegate, along with a motivation.

Entertainment expenses are always subject to the availability of funds and affordability.

- **Entertainment of staff by Management**

Every year, an amount is made available to the members of the Members of the Rectorate, the Chief and Senior Directors and Deans for them to entertain their heads of departments/executive heads/discipline heads and their partners. A maximum limit of R625 (2022: R500) per person will be linked to the type of reception.

The reception or function may take place at or outside the University, at the person's own discretion but staff are encouraged to use existing vendors or to load the 3rd party as a vendor on the system.

The **costs** of the receptions and functions will be paid back to the staff member concerned if a vendor was not used, on submission of the necessary evidence in support of the costs. The costs are defrayed from the budget of the relevant member of staff.

The expenses incurred must be approved by the relevant responsibility centre head before they are paid out. Expenses of the responsibility centre heads must be approved by the Rector. He may delegate this function to the Director: Finance and Asset Management. The Rector's expenses are approved by the Chief Operating Officer.

(Each of the abovementioned persons is responsible for ensuring that the expenses that are claimed are in the interests of the University and are thus claimable and realistic.)

- **Official visitors**

Official visitors to SU may be entertained. The work done by the visitor must relate to the University. Official visitors include external examiners. The entertainment of official visitors is limited to R785 (2022: R630) per person. Where the value of the entertainment exceeds the limit, this should be submitted for approval to the head of the centre of responsibility or his/her delegate, along with a motivation. The costs for partners of members of staff will only be paid if the visitor's partner attends the reception.

- **Personal Anniversaries**

No functions for anniversaries of a personal nature are allowed, such as birthdays, births and marriages.

- **End-of-year Functions**

Costs of year-end functions are permissible, but are limited to R785 (2022: R630) per person and exclude partners. If partners should attend, the entertainment costs are limited to R1 250 (2022: R1 000) per couple/family.

- **Prize giving**

Costs of entertainment for prize giving for students are permissible, but are limited to R625 (2022: R500) per person. Partners of the people who are receiving prizes are permissible, subject to the availability of funds.

- **Retirements**

Costs of receptions for the retirement of personnel are permissible, but are limited to R625 (2022: R500) per person and exclude partners, except the partner and guests of the retiree.

- **Entertainment of staff**

Receptions for staff during business hours or extended work hours or on special occasions are permissible, but are limited to R625 (2022: R500) per person and exclude partners.

PROVISION OF PROOF

With regard to entertainment costs, all claims must be accompanied by:

- An invoice from the restaurant or an account (and receipts) of costs if the reception was held at home. Merely attaching a credit card slip is not sufficient proof;
- The reason for the reception;
- Who attended the reception; and
- A copy of the conditions of the specific fund (e.g. NRF or contract) where the functions are being paid from earmarked third stream funds.

APPROVAL

All claims with regard to entertainment costs shall be approved as follows:

- All claims must be approved by the relevant departmental chairperson/executive head/discipline head or head of division (non-academic).
- Claims by chairpersons must be approved by the relevant dean and those by the heads of division (non-academic) must be approved by the relevant responsibility centre head. Claims by deans and responsibility centre heads must be approved by their responsible line manager.

Contact Division
Financial Services