

Policy for Conveyance, Travel Allowance (TA) and Daily Allowance (DA)

Version: 1.01

Date: 30/7/2015

1. Introduction

From time-to-time for various business reasons Genuity Systems Ltd. ("GSL" or "Company") requires its employees to undertake domestic and overseas travel on business assignments ("business travel"). Frequently employees have to undertake short trips within and outside Dhaka city for GSL's business related activities. This policy lays down rules for administering authorization and expenses related to all kinds of business travel by GSL employees.

2. Definitions

2.1 Local Conveyance

Travel/trip expenses which are incurred within the city of employee's place of work are defined as 'Local Conveyance'. For example, any conveyance for traveling within Dhaka city for official work will fall under this category.

2.2 Travel Allowance (TA)

Transport related expenses incurred by GSL employees for intercity and foreign business travel are covered by Travel Allowances (TA). Example: Dhaka to Chittagong or Dhaka to Dubai etc.

2.3 Daily Allowance (DA)

Lodging, meal, and related expenses incurred by GSL employees for intercity and foreign business travel are covered by Daily Allowances (DA).

2.4 Category of Employees for TA and DA Entitlement

Employees are divided into five categories for TA/DA entitlements. The categories are presented in the Table 1 below:

Table 1.

Category of Employees for TA and DA Entitlement		
Category	Grade	Operational Designation
Category " A "	1-3	Director / Assistant Director/ ED
Category " B "	4-7	GM / DGM / AGM
Category " C "	8-10	Senior Manager/ Manager/ Asst. Manager/ Senior Executive
Category " D "	11-13	Executive
Category " E "	MLSS	MLSS

Note: In case of mismatch of grade and operational designation of an employee the immediate higher Category per Table 1 will be applicable.

2.5 Actual Expense

Expense actually incurred for TA or DA are termed as 'Actual Expense'.

2.6 Personal Vehicles

A vehicle owned by GSL employees those are occasionally used for official purpose are termed as 'Personal Vehicles'.

2.7 Expensive Zone:

In cases of domestic travel the places outside Dhaka city where general expenses are higher than other parts of the country are termed as 'Expensive Zones'. The places which will fall under this zone are: Chittagong, Cox's Bazar, Khulna, Rajshahi, Barishal, Sylhet and Bogura. This list may be periodically updated by the management.

3. Rate of Allowances:

3.1 Rates for Local Conveyance

Rates of local conveyance are listed below:

Local Conveyance Rate			
Category	Vehicle Type	Personal Car	Personal Bike
A	Taxicab	35 Tk./km	
B	CNG (Taxicab for urgent business)	35 Tk./Km	10 Tk./km
C	CNG (Taxicab for urgent business)	35 Tk./km	10 Tk./km
D	CNG (Taxicab with permission)	35 Tk./Km	10 Tk./km
E	Public Transport (CNG with permission)		

Note: If more than one staff uses a single vehicle that will be considered as single trip for conveyance allowance calculation.

3.1.1 Selection of Vehicle

While selecting type of transport, the traveler must be economical i.e. may chose lower category vehicle but not higher. For example, the distance that can be traveled by rickshaw must not be traveled by CNG or cab. Similarly if CNG is authorized that must not be replaced with cab. Individuals are however allowed to travel by a lower category vehicle than those are authorized for their level(s).

3.1.2 Billing for Use of Personal Vehicle

While billing for use of personal vehicle, actual mileage (logical distance) will be considered. The management reserves the right to verify the mileage reported in the billing.

3.2 Travel Allowance (TA)

Rates of travel allowances are listed below:

3.2.1 Foreign Travel

Travel Allowance (TA) Rate		
Type of Vehicle	Category	Travel Allowance
Taxi Cab	A	At actual
	B	At actual
	C	At actual
	D	At actual

3.2.2 Domestic Travel

Travel Allowance (TA) Rate		
Type of Journey	Category	Travel Class at Actual Expense
Train Travel	A	Highest class that is available in traveling route
	B	Highest class that is available in traveling route
	C	Highest class that is available in traveling route
	D	AC Chair compartment (maximum)
	E	Non AC general Chair compartment
Bus Travel	Category	Travel Class at Actual Expense
	A	Highest class that is available for the travel route
	B	Highest class that is available for the travel route
	C	Highest class that is available for the travel route
	D	AC Chair couch (maximum)
	E	General Chair couch
Water transport	Category	Travel Class at Actual Expense
	A	Highest class that is available for the travel route
	B	AC general cabin (maximum)
	C	AC general cabin (maximum)
	D	Non AC general cabin (maximum)
	E	Deck or general Chair class
Air travel	Category	Travel Class at Actual Expense
	A	Economy class that is available for the travel route
	B	Economy class upon authorization from ED (if necessity requires)
	C	
	D	

Note: In case of water vehicle, single bill should be generated for shared cabin. Prior permission of departmental manager should be taken if upper class facility is needed for a lower category group member while group travel.

3.2.3 Selection of Class of Vehicle

Employees shall select class of vehicle as per their grade and operational designation. If an employee requires to travel at a higher grade, s/he must take prior approval from his/her departmental manager.

3.3 Daily Allowance (DA)

Rates of DA are listed below according to category of employees concerned. The DA policy will differ depending on the travel if within country or overseas.

3.3.1 DA for Foreign Travel

For foreign travel admissible DA will be as follows:

DA for Foreign Travel		
Grade	Operational Designation	Daily Allowance SAARC & Asia Region
1-3	Directors/ED/ Assistant directors	US\$ 90
4-7	GM / DGM / AGM	US\$ 75
8-10	Senior Manager/ Manager/ Asst. Manager/ Senior Executive	US\$ 65
11-13	Executive	US\$ 65

Admissible DA will be US\$100 for all when travelling outside Asia & SAARC region. For longer duration assignments at Genusys or Plexstar the admissible DA will be \$70. In cases where a fixed contracted salary is provided on a case by case basis then DA will not be admissible for longer stay in Dallas. Accommodation will be provided at actual cost as per decision of the authorized tour coordinator. In special case white paper voucher against cab slip can be acceptable at the recommendation of tour coordinator.

3.3.2 DA for Local Travel

For local travel admissible DA will be as follows:

DA for Local Travel				
Category	For Regular and Expensive Area	Meal		
	Accommodation (BDT/Room)	Regular Rate (BDT/Person)	Rate for Expensive Area (BDT/Person)	
A	5000 (Max)	2800	3500	
B	4000 (Max)	2400	3000	
C	3000 (Max)	1600	2000	
D	2500 (Max)	1600	2000	
E	1500 (Max)	960	1200	

Note:

A. Single bill should be generated for shared accommodation. For example, in group travel if same employees of certain category share a room or a higher category employee consider to share a room with lower category willingly then the room bill will be considered as single room.

B. For accommodation, actual bill should be submitted against the given maximum ceiling. For food, total amount will be given to employees as lump-sum for which no bill is required to be submitted.

C. Maximum ceiling may not be applicable for members of the Board of Directors and ED.

D. If the travel time exceeds 3 days, employees must pre-approve budget of tentative expanses from his/her supervisor.

E. The Company acknowledges room rates may fluctuate wildly from time to time depending on season and general hotel room occupancy situation in the concerned location. These special cases will require increase of ceiling of DA and lodging for which pre-approval of the ED is required. The increased cost of accommodation should be justified by the anticipated business and revenue enhancement from the travel initiative.

f. In case of revenue sensitive business travel respective department head may reduce the meal cost from above mentioned rate to control business expenses.

4. Travel Authorization/ Approval

All domestic intra city business trips require prior authorization of respective departmental managers. Inter-city travels require approval of the ED on recommendation from departmental manager. On Departmental managers request and ED's recommendation the CEO will authorize foreign travels.

5. Responsibilities and Implementation

5.1 Manager's Responsibility

Managers should know current policy and inform their departmental employees about the TA/DA policy and settlement procedures of the Company. Managers are also responsible for justification of travel related costs before signing off i.e. vetting such bills for submission.

5.2 Employee's Responsibility

All employees should be aware of this policy and know where they will find it to read, if required. Employees must read and understand those parts of this policy that are directly relevant to any business travel they would be undertaking shortly. Employees must apply judgment in their choice of travel and meal services so as to minimize GSL's expenses. It is the responsibility of every employee to prepare travel related bills, have it vetted by their departmental managers and submit to the accounts department for reimbursement/adjustment within one week of the end of their travel.

6. Advance Travel Expense Claim

Depending on the nature of impending travel employees may, through their departmental managers, request for advance reimbursement. The advance amount claimed must be less than approximate expense for the travel. Any advance receipt of cash to cover travel related expenses must be adjusted by submitting bill covering the travel.

7. Preparation, Submission, and Handling of Travel Related Bills

7.1 Bill covering travel duly vetted by departmental managers should be submitted to GSL's Accounts Department for reimbursement.

7.2 In case of local transport, an employee should fill up the designated form for conveyance bill, have it approved by his/her departmental manager and submit the same to GSL account department for reimbursement.

7.3 Employees are required to present vouchers related to expenses on transportation for all travel outside Dhaka city. However in certain circumstances it may not be practical to obtain such vouchers. In those cases, employees must submit a self-made voucher supporting actual expenses incurred.

7.4 If advance money for travel is required, s/he may collect it from accounts department through IOU. A copy of travel authorization must be attached with such IOU. Further details on this is available in the Policy document on IOU.

7.5 Other local conveyance bill is to be submitted based on actual expense.

7.6 GSL Accounts Department will scrutinize, approve, and reimburse travel related bills within one week of submission.

8. TA/DA for Departmental Programs

Any TA/DA for departmental program will be disbursed as per approved budget of the program. That is expense for travel, meal, accommodation and event related cost will be reimbursed as per approved budget. In such cases no other prevailing clause of the policy will be applicable. Departments manager or trip leader concerned will be responsible for adjustment of such travel bills.

9. Leave Associated with Travel

Employees may seek leave in conjunction with an impending travel for site seeing or for personal reasons. Authorization of such leave is covered and administered under existing Leave Policy of the Company.

10. Special Considerations

In special group travel case(s) travel group head(s) may recommend variation in travel related expenses for management approval. The Company management at its discretion and on case-by-case basis may approve such requests.

11. Separation of Travel Expenses from Business/Promotional Costs

Business related costs i.e. promotional cost, gift and entertainment cost for clients during a travel must be separately billed and realized. These should not be mixed up with travel related expenses.

12. Management's Discretionary Authority: In all circumstances the BoD of the Company reserves the right to change or approve deviations of this policy considering greater interest of the Company.

13. Conclusion

Business travels are essential part of day to day activities of GSL. This policy document is formulated as a rule to follow for smooth administration of business travel including adjustment of related expenses. Business travel are expensive and as such all employees are expected to help the Company minimize such expenses. Managers are expected to apply judgment before authorizing business travel and also scrutinize travel related bills before vetting. The Company management reserves the right to change or update this policy from time-to-time depending on changed business environment.

Approved By: _____ ; Position: _____ ; Date: _____