

## **Financial Guideline 2021/2022 – 14**

### **Voluntary Secondary Schools**

#### **Travel and Subsistence Expenses for Members of Board of Management, School Principal and other School Personnel**

*This guideline supersedes guideline 24-2018/2019 Travel and Subsistence Expenses for Members of Board of Management, School Principal and other School Personnel. There are no changes in the application of these guidelines. The claim form has been updated and a template policy included.*

#### **1. Introduction**

Travel and subsistence allowances may be paid to members of the board of management, Principal, Deputy Principal, teaching and non-teaching staff, selection committee members and volunteers for necessary travel required to carry out school business.

In order to comply with Revenue requirements and best practice in governance and financial management the board of management should annually agree and approve a policy on the payment of travel and subsistence expenses for members of the board of management, the school Principal and other school personnel.

#### **2. Travel and Subsistence Expenses Policy**

To download a sample policy template please [click here](#). The policy should cover the following points:

- The board of management should decide on the types and categories of school business for which expenses may be paid. It is also the duty of the Principal and board of management to ensure that only essential travel is undertaken thereby keeping such expenditure to a minimum.

- The Civil Service travel rates are the maximum rates which may be paid without incurring a tax liability (**Appendix 1**). The board of management is free to set travel rates at any rate equal to or below these levels.
- The financial year for the purpose of calculating kilometric travel rates is the calendar year.
- It is not appropriate for members of the board of management, Principal, Deputy Principal, teaching and non-teaching staff to claim un-vouched or round sum expenses. All subsistence payments should only be made on the basis of vouched expenditure on meals and necessary accommodation on submission of receipts to the Principal or, in the case of a Principal, to the chairperson of the board.
- Travel and subsistence claims should be submitted as soon as possible and in any event within one month of the relevant journey. All claims should be submitted on a Travel & Subsistence Expenses Claim Form on school headed paper, [click here](#) for a sample form.
- Each claim for expenses should be verified and approved by the Principal. Where the Principal is the claimant, the chairperson of the board of management verifies and approves the claim.
- All documentation in relation to travel and subsistence claims should be retained for a period of seven years (i.e. six years after the tax year to which the records refer).
- The cumulative mileage/kilometres for the year to date must be included on the claim form. This includes all mileage/kilometres claims from any source.
- Principal, members of the Board and employees of the Board who are required to use his/her car for official business will require authorisation to do so. Each person so authorised must sign an undertaking as per Circular 0017/2016. The declaration form is provided in Appendix 1 of the [Sample Travel and Subsistence Expenses Policy](#).

## **Members of the board of management**

- Members of boards of management shall not receive any financial remuneration for his or her services as a member of the board (AOM 6B). Travel to and from board of management meetings is not an allowable travel expense.

- The board of management should determine the types and categories of school business for which expenses may be paid for members of the board. Where a board member incurs significant costs to travel to board meetings, payment of such expenses should be agreed between the Trustee/Patron and the board.
- Per guidance from the Revenue Commissioners “Part 05-01-06 of the Tax and Duty Manual, Tax treatment of the reimbursement of expenses of travel and subsistence to office holders and employees”:

*Notwithstanding anything contained in tax law or in this Manual, the reimbursement of expenses of travelling and subsistence to individuals who work on a voluntary and unpaid basis for organisations whose functions and aims are both altruistic and non-commercial (for example, voluntary unpaid workers working for charities, sports bodies, etc.) may be paid tax-free, provided the expenses of travelling and subsistence*

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- (a) merely put the unpaid individual in a position to carry out his/her work; and
- (b) no more than reimburse the individual the expenses actually incurred by him/her and do not exceed the Civil Service rates for reimbursement of expenses of travelling and subsistence.

*Note – Individuals involved in charities, sports bodies, etc. who, in addition to a reimbursement of actual expenses of travel and subsistence, **receive, either directly or indirectly, remuneration of any description (for example, weekly or monthly salary, an honorarium, and/or a ‘bonus’, etc.) do NOT fall within the description of ‘carrying out work on a voluntary and unpaid basis’.***

## **Principal and School Personnel**

- Travelling and subsistence allowances are payable only in respect of necessary absence from school. Payment of such expenses is approved by the board. All travelling duties should be planned to reduce the total amount of travel to the minimum consistent with efficiency.
- The Principal/School Personnel must be temporarily away from his/her normal place of work in the performance of the duties of his/her office or employment;
- The travel expenses must be necessarily incurred in the performance of the duties of the office or employment; and
- Arising from a long-accepted position supported by tax case law, the expenses of subsistence must attach to travelling necessarily incurred in the performance of the duties of the office or employment.
- Where more than one person is travelling to the same area, arrangements should where feasible, be made to avoid the unnecessary duplication of the use of more than one car.

- Where a person proceeds on an official journey direct from home or returns home directly, the travelling allowance payable will be calculated by reference to the distance from home or school, whichever is the lesser.
- Travel expenses cannot be paid in respect of any portion of a journey which covers all or part of a person's usual route between home and school. If an employee receives expense payments in respect of travelling to and from work, such expense payments are taxable and subject to PAYE deductions.

### **Subsistence Expenses**

- The FSSU recommends that subsistence payments should only be made on the basis of vouched expenditure on meals and necessary accommodation on submission of receipts to the Principal or, in the case of a Principal or board member, to the chairperson of the board.

Further information or clarification on any of the issues raised in this Guideline can be obtained from the FSSU.

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*6<sup>th</sup> December 2021*

## Appendix 1

### Civil Service Travel Rates effective 1<sup>st</sup> April 2017

Motor Travel Rates per Kilometre				
Bands	Distance	Engine Capacity up to 1200cc	Engine Capacity 1201cc to 1500cc	Engine Capacity 1501cc and over
Band 1	0 – 1,500 km	37.95 cent	39.86 cent	44.79 cent
Band 2	1,501 – 5,500km	70.00 cent	73.21 cent	83.53 cent
Band 3	5,501 – 25,000km	27.55 cent	29.03 cent	32.21 cent
Band 4	25,001 km and over	21.36 cent	22.23 cent	25.85 cent

Reduced Motor Travel Rates per Kilometre		
Engine Capacity up to 1200cc	Engine Capacity 1201cc to 1500cc	Engine Capacity 1501cc and over
16.59 cent	17.63 cent	18.97 cent

Reduced mileage rates are payable for journeys associated with an individual's job but not solely related to the performance of those duties.

Examples include:

- attendance at confined promotion competitions
- attendance at approved courses of education
- attendance at courses or conferences
- return visits home at weekends during periods of temporary transfer.