

Section 04, Chapter 25, Commission Standing Orders (Part I)

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**Commission Standing Orders ( Part I )**

|                     |                                         |                                   |
|---------------------|-----------------------------------------|-----------------------------------|
| <b>Chapter :</b> 25 | <b>Title :</b> Finance                  | <b>Internal Reference :</b> 25-04 |
| <b>Section :</b> 04 | <b>Heading :</b> Entertainment Expenses | <b>Version Date :</b> 30/03/2012  |

1. An officer may be reimbursed expenses incurred for provision of official entertainment which has been approved by C (for Commission-wide, Administration Branch and Corruption Prevention Department functions), H/Ops (for Operations Department functions) and DCR (for Community Relations Department functions). Officers should seek approval **in advance** before the expenses are incurred. Officers should also observe the relevant guidelines on the rate of entertainment expenses as may be issued by the Administration from time to time. Unless C has approved otherwise, the expenditure per head, inclusive of food, beverages and tips, is currently subject to the following ceiling –

- |                               |         |
|-------------------------------|---------|
| (a) Operational liaison lunch | : \$150 |
| (b) Lunch                     | : \$350 |
| (c) Dinner                    | : \$450 |

2. Expenditure may be charged to the entertainment vote when it is –

- (a) directly related to the discharge of an officer's duties or a necessary part of making or maintaining contacts in his official capacity; and
- (b) in the public interest.

3. Except for the following two occasions, official entertainment must be for non-government personnel -

- (a) entertaining representatives of staff associations; or
- (b) expressing appreciation to staff for exceptional achievements, significantly beyond the normal call of duty.

4. Expenditure arising from the presence of other Government officers and their spouses may be reimbursed when -

- (a) it is in the public interest that the principal guests (who are not civil servants) should meet such officers; or
- (b) it is necessary for such officers to assist in entertaining the principal guests.

5. When official entertainment is combined with private entertainment, only that proportion of the expenditure that is attributable to the presence of the host and hostess and of their official guests may be charged to public funds.

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6. Expenditure on official entertainment should be fully supported by receipts wherever possible. Claims for expenditure on home entertainment when receipts are not produced must be supported by full details and certified as reasonable by C personally.

7. Vouchers must include sufficient supporting information to enable the Audit Commission to ascertain whether the provisions of the relevant regulations are complied with. The list of guests for a particular function must be retained for at least 12 months and produced for the Audit Commission's examination if required.

8. Tipping should strictly follow the guidelines issued by the Secretary for Financial Services and the Treasury -

| <u>Entertainment Expenses</u> | <u>Amount of Tips</u> |
|-------------------------------|-----------------------|
| Up to \$2,000                 | 5% of the bill amount |
| From \$2,000 to \$4,000       | \$100 maximum         |
| Over \$4,000                  | \$200 maximum         |

9. It is customary for officers to present gifts when invited to social functions (such as wedding or birthday parties) hosted by local leaders who have frequent official contact with the Commission. Subject to the following financial limits on the value of such gifts, the expenditure involved is chargeable to Component 149 General Departmental Expenses Item 566 Official Entertainment (Local) -

| <u>Gift</u>                                                                | <u>Maximum Value</u> |
|----------------------------------------------------------------------------|----------------------|
|                                                                            | (\$)                 |
| (a) one gift to be purchased when only one officer is invited              | 400                  |
| (b) one joint gift to be purchased when two officers are invited           | 600                  |
| (c) one joint gift to be purchased when more than two officers are invited | 800                  |

10. Officers are advised that as far as possible, gifts rather than cash should be offered. There is no particular restriction on the type of gifts and the general guideline is that a gift suitable to the occasion should be presented. Common sense and social norm should prevail. The greeting card accompanying the gift should contain all the names of the officers invited to the function.

Major Amendments to Section 04, Chapter 25, Commission Standing Orders (Part I) about  
Official Entertainment Expenses

| <b>Date</b>   | <b>Paragraph</b>    | <b>Major Amendments</b>                                                                                                                                                                                            |
|---------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| April 2005    | Paragraph 1         | To spell out clearly the approving authority and respective ceiling of expenditure per head                                                                                                                        |
| February 2007 | Paragraphs 9 and 10 | To introduce guidelines on purchase of gifts for social functions hosted by local leaders                                                                                                                          |
| April 2007    | Paragraph 1         | To reflect the new expenditure ceiling per head as promulgated by the Director of Administration with effect from 1 April 2007 (i.e. \$300 (instead of \$250) for lunch and \$400 (unchanged) for dinner)          |
| July 2009     | Paragraph 1         | To explicitly state that “beverages” should also be counted towards expenditure per head in entertainment expenses                                                                                                 |
| December 2010 | Paragraph 1         | To reflect the new expenditure ceiling per head as promulgated by the Director of Administration with effect from 1 January 2011 (i.e. \$350 (instead of \$300) for lunch and \$450 (instead of \$400) for dinner) |