


Administrative Instruction

Date: 19 February 2009
To: All UNOPS Personnel
From: Monika Altmaier,
Director, OEC and HR 
AI Reference: AI/OEC/2008/02 (revision 1)
Subject: **Hospitality Policy**

Purpose

The purpose of this revision is to amend paragraph 24 of the Hospitality Policy (AI/OEC/2008/02) to reflect the establishment of "Project Centers" pursuant to Organizational Directive No. 6 (High-level organizational structure for UNOPS' regional entities).

Amendment

Paragraph 24 of the Hospitality Policy is hereby amended to read as follows:

"Eligible staff and representation allowance rates. The following positions are eligible for representation allowance:

- Executive Director – US\$ 500 per month
- Deputy Executive Director – US\$400 per month
- Regional Director – US\$300 per month
- Office Director at headquarters - US\$200 per month
- Operations Centre Director – US\$200 per month
- Project Centre Manager – US\$100 per month"

All other provisions of the Hospitality Policy remain in full force and effect.

The revised Hospitality Policy (AI/OEC/2008/02 (revision 1)) incorporating the amendment referred to above is attached herewith.

Effective Date

This revision is effective 1 March 2009.

**Administrative Instruction
AI/OEC/2008/02 (Revision 1)**

Hospitality Policy

1. This administrative instruction on hospitality supersedes all previous directives on the application of hospitality policy at UNOPS.
2. It provides the policies and guidelines that govern reimbursement of hospitality for UNOPS officials serving at both headquarters and in regional offices/operations centres. These revised policies and guidelines take into account United Nations administrative instruction on Official Hospitality ST/AI/2002/8 dated 27 December 2002. The maximum rates for reimbursement are moderately increased, taking into account inflation and especially the weakness of the US Dollar over the last number of years. All rates quoted in this AI are subject to review and change.
3. **Hospitality expenses.** UNOPS staff who, in the performance of their official duties, incur expenses in providing hospitality to non-UNOPS persons, may, under the conditions set out in this AI, claim reimbursement of these expenses. Approval of hospitality expenses is subject to availability of funds under the allotment of the organizational unit. These funds are intended primarily for the entertainment of persons who are non-UNOPS staff. UNOPS staff offering hospitality on behalf of the organization must always bear in mind that in the eyes of the public, including those being entertained, they are representing the organization. Consequently, an image of frugal and thrifty self-financing entity should always prevail over any semblance of extravagance or ostentation. The event should be modest and attendance should be kept at an absolute minimum as dictated by the particular purpose.
4. **Eligibility for hospitality reimbursement. Participants - host/guest.** The staff member providing hospitality is referred to as the Host. All other UNOPS contract holders (ICAs, UNVs, etc) are also considered hosts for purposes of reimbursement. The non-UNOPS persons benefiting from official hospitality are referred to as Guests.
5. **Reimbursement for staff members.** Funds provided in the allotment for hospitality are intended primarily for the entertainment of persons who are not UNOPS-contracted personnel. However, it is recognized that there are likely to be situations where the participation of UNOPS-contracted personnel other than the actual host, would be desirable. This type of participation must be kept to a minimum.
6. **Staff members receiving representation allowance.** Senior UNOPS staff members receiving representation allowance, are in addition entitled to reimbursement of direct hospitality costs and special events-related hospitality described later in this AI.
7. **Spouses/family/personal guests.** Whether hospitality is offered in the home or outside, expense incurred for the host's family, personal guests, relatives or household members may not be claimed for the purposes of hospitality reimbursement.
8. **Authorization and control.** The hospitality allotment may be issued/adjusted only by the allotment-authorizing officer at headquarters. It is only the Director of Office at

headquarters, Regional Director or Director/Manager of the operations centre, that may authorize the reimbursement of hospitality expenses.

9. **Budget Control.** Based on identified needs, offices may be given budget allotments for hospitality. Each Office Director and Committing Officer is responsible and accountable for ensuring that the hospitality expense is in accordance with the terms of this AI. He/she must ensure that only appropriate hospitality expenses: reasonable, necessary and substantiated, are charged to their hospitality allotment and that the allotment is not overspent. The request for reimbursement should indicate the nature and purpose of the function and identify the persons entertained (listing separately guests and UNOPS-contracted personnel);
10. **Rates and conditions of reimbursement. Actual expenses versus maximum reimbursement rates.** Reimbursement of hospitality expenses will be made on the basis of actual expenses incurred per participant and shall not exceed the maximum reimbursement rates established for the respective locations. Expenses in excess of the amounts reimbursable by UNOPS shall be the responsibility of the host.
11. **Reimbursement rates for hospitality outside of the home.** The maximum per-participant rate of reimbursement for hospitality expenses incurred outside the home, including food, beverages and gratuities is US\$50, irrespective of location.
12. **Reimbursement rates for hospitality in the home.** The maximum rate of reimbursement for hospitality in the home is US\$50 per person, irrespective of location.
13. **Holders of ALD and ICA contracts.** In principle, this group of UNOPS-contracted staff should not perform representational functions on behalf of UNOPS and, therefore, may not host functions and claim reimbursement for hospitality. In certain exceptional situations and in the best interest of the organization, the Office Director at headquarters or Regional Director may provide authorization to incur hospitality expenses to holders of ALD or ICA contracts, based on their specific functions.
14. **Hospitality and DSA.** UNOPS-contracted personnel in receipt of a daily subsistence allowance (DSA) are in principle entitled to reimbursement of hospitality expenses. This is in view of the fact that DSA is provided to cover clearly identifiable additional living expenses (accommodation, out-of-home meals, transportation, incidentals, etc.) that occur when traveling away from the duty station. DSA does not include an element for hospitality.
15. **Reimbursement for special events/official meetings.** When an office extends hospitality to participants at a special event, or an official meeting, normally by way of a reception where a senior UNOPS staff member serves as a host on behalf of the organization, the expenses incurred may be reimbursed provided that:
 - (a) The hospitality pertains to meetings/events planned in advance;
 - (b) The estimated costs of the hospitality had been specifically requested and approved; and
 - (c) The expenses are within the available balance of the allotment authorized for hospitality.
16. **Retreats, workshops, training events.** Funds are not specifically identified in the administrative or project budget for these events. The general expectation is that these

events are at zero or minimal cost and therefore absorbable within existing authorized allotments. Generally, participants at these events are all UNOPS-contracted staff, therefore expenses for luncheons, refreshments, etc. in connection with these events are not reimbursable as official hospitality. It is understood, however, that in the best interest of the organization, these may be all-day events with a working lunch or dinner and/or include refreshments. It is also expected that such events would be kept to a minimum, and that in principle units will cover associated costs within their existing allotments. In such cases, exceptionally, claims for reimbursement may be made under the following conditions:

- (a) Costs are kept to a minimum (not exceeding \$50/person/day);
- (b) Advance approval is obtained; and
- (c) Funds are available from the projected available balance of allotment.

17. Farewell parties, “getting happier hour” and other unofficial functions. Family members and personal friends typically attend these functions. Therefore, expenses associated with such unofficial functions are not reimbursable as official UNOPS hospitality.

18. Hospitality under projects. Allotments for official hospitality. Hospitality expenses generally should not be charged to projects. Exceptions are made when:

- (a) The office is fully or mainly funded from project resources; and
- (b) The event is a major one with outside senior level representation, covering areas within the mandate of UNOPS.

19. Allotments for special events. Under certain circumstances, funds may be redeployed to the hospitality allotment to cover extraordinary official hospitality expenses relating to special events. Such special events typically relate to the holding of an important international conference, or large UNOPS meeting. The request must be substantiated by the purpose for the special event. The same rules for rates and reimbursement apply.

20. Reimbursement eligibility. In all the above cases, reimbursement is made for all participants at the function, even in cases where the host or other participants may be receiving a representation allowance.

21. Reimbursement procedures, up-front payments. Normally, the host is expected to pay up-front for the hospitality costs (including caterers and restaurants) and thereafter submit a claim for reimbursement on form F-10 (Voucher for Reimbursement of Expenses). Claims must be supported by:

- (a) A description of the nature and purpose of the function;
- (b) A statement of expenses and related receipts or paid invoices;
- (c) The name and title of the UNOPS official hosting the function;
- (d) The number of guests entertained (including guests from other UN agencies), their names, titles/positions and the name of the organization that they represent; and
- (e) The number and names of UNOPS-contracted staff in attendance.

For approved special events that are paid for in full by UNOPS, arrangements may be made for the restaurant or catering facility to submit an invoice directly to the UNOPS Admin/Finance/Operations Officer for payment. In some cases, pre-payment is requested on the basis of a pro-forma invoice. In calculating the eligible costs, the total cost to be

reimbursed will be the lesser of the actual cost or the maximum amount based on the established rates.

22. **Authorizing officer.** The claim must be authorized by the Office Director at headquarters, Regional Director or OC Director/ Manager. Claims should be submitted within a week after the expenditure is incurred or, for hosts in travel status, within a week of their return to the duty station.
23. **Representation allowance.** Organizational Effectiveness Centre determines and periodically reviews representation allowance rates as well as authorizes the establishment of representation allowance for certain senior UNOPS staff, who in the performance of their official duties, are expected to have extensive outside representation functions. Representation allowance is provided because these staff members often incur considerable miscellaneous personal expenses (e.g., hospitality expenses which are not reimbursed due to factors such as ratio of UNOPS to non-UNOPS guests, ad-hoc refreshments, transportation to/from functions, gratuities, local phone calls, etc.) in connection with their representational responsibilities. The representation allowance does not cover hospitality-related costs. Such costs incurred by staff members in receipt of representation allowance are also eligible for reimbursement under the official hospitality guidelines. The representation allowance is paid monthly, directly to the staff member in US dollars, and is included with the monthly HQ payroll payment.
24. **Eligible staff and representation allowance rates.** The following positions are eligible for representation allowance:
 - Executive Director – US\$ 500 per month
 - Deputy Executive Director – US\$400 per month
 - Regional Director – US\$300 per month
 - Office Director at headquarters – US\$200 per month
 - Operations Centre Director – US\$200 per month
 - Project Centre Manager – US\$100 per month
25. **Officer-in-Charge.** The person officially designated as Officer-in-Charge for one of the above positions, may be granted a corresponding representation allowance, if the acting period exceeds 30 days. In such instances, the reimbursement is made against a completed F-10 form.
26. **Person encumbering more than one post giving rise to representation allowance.** If a person encumbers more than one post giving rise to representation allowance, he/she is only entitled to one representation allowance to be paid at the higher rate.
27. **Duration/discontinuance of the representation allowance.** Representation allowance is paid to the eligible post incumbent that qualifies for the allowance, for as long as he/she encumbers the post. It is paid through the regular UN payroll system. If the staff member receiving representation allowance is transferred to a post that does not qualify for the allowance, then the RA is discontinued from the first day of the following month.
28. **Effective date.** This AI goes into effect 1 March 2009.