Miscellaneous Staff Payment Guidelines

August 2013
# MISCELLANEOUS STAFF PAYMENT GUIDELINES

**Responsible Position:** Manager Financial Operations  
**Approved by:** Chief Financial Officer

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Overview

Purpose

This guideline provides information on various payments made to staff, not paid through the payroll, and the conditions under which they are made.

This guideline needs to be considered in conjunction with other University policies, procedures and guidelines.

All references to monetary amounts in this guideline are on a GST inclusive basis.

Coverage

The Miscellaneous Staff Payments Guideline applies to all University budget centres, including Institutes, Centres, Divisions and the Foundation.

These guidelines provide a general guide to major payment categories made on behalf or to staff for work related expenses that are not covered under payroll or a salary sacrifice arrangement.

Exclusions

This guideline excludes information on:

- Hospitality expenses refer to Hospitality Guidelines
- General Purchasing refer to General Purchasing Guidelines
- Payroll processing refer to Human Resources

Guideline Objectives

Probity and Accountability

All expenditure must be for University business purpose or in the best interests of the University. Payments to staff must be made in accordance with probity, accountability and equity principles.
Key Considerations

Expense Payment Fringe Benefits

Some of the payments outlined in this guide may be regarded as an Expense Payment Fringe Benefit, and subject to Fringe Benefits Tax. Refer to the Fringe Benefits Tax Guidelines for details where applicable.

Payments to Staff and Reimbursements of Expenditure

This guideline covers some instances where a staff member has paid for University business expenses personally and is seeking reimbursement. In such cases, staff may also refer to the General Purchasing Guidelines regarding petty cash reimbursements, and the status of miscellaneous expenditure items.
Memberships

The University may pay the cost of memberships that relate directly and principally to the business of the University.

Memberships should have the following characteristics:

- Be registered in the name of the University.
- Be sent to a University address.
- Be directly related to the University’s business.
- Be approved by an authorised person.
- Be for a reasonable period of time e.g. 12 months.
- Be of a reasonable cost to the University.
- Not be for a personal membership of an employee.

The Budget Centre Head or higher authorisation is responsible for approval of membership payments.

The University will not meet the cost of individual staff membership fees. The only exceptions to the above policy are if:

- the membership was agreed to as a condition of employment of the staff member concerned or
- a corporate membership is not available and a personal membership is substituted on behalf of the University.

In this case the relevant Executive Dean, Head of Academic Unit / Divisional Head is required to approve the membership.

Memberships taken out in the name of a staff member, rather than in the University’s name may be liable to Fringe Benefits Tax if it is not deemed ‘otherwise deductible’. In this case a declaration may be required from the employee. Please contact Financial Services for additional information.

Memberships: Airline Lounges

The University will not generally pay for personal memberships of Airline Club Lounges. Exceptions will be granted only under specific circumstances as detailed in the Travel Guidelines.

Where the University does not authorise University payment of Airline Lounge Membership fees, staff may apply for discounted Airline Lounge Membership through the Salary Sacrifice Arrangements application. Refer to the Human Resources website for details.
Subscriptions

The University may pay the cost of subscriptions that relate directly and principally to the business of the University.

Subscriptions must be in the name of the University and forwarded to a University address. This does not preclude an employee’s name from being recorded on the subscription registration or mailing details.

All journals, books or data received from a subscription remains the property of the University.

Subscriptions are normally for journals, books, and magazines. They do not include memberships for professional organisations and associations.

Subscriptions should have the following characteristics:

- Be registered in the name of the University.
- Be sent to a University address.
- Be directly related to the University’s business.
- Be approved by an authorised person.
- Be of a reasonable cost to the University.
- Not be for a personal subscription of an employee.

The Budget Centre Head or higher authorisation is responsible for approval of subscriptions.

Personal Webpages, Profiles and other Subscribed Services

The University will not reimburse staff for expenses in relation to the creation and maintenance of personal online or other types of profile information.
Uniforms and Clothing

The University will not fund the purchase of clothing, including uniforms, unless it falls within one of the following categories:

- Personal Protective Equipment
- Uniforms required for security or specific identification reasons
- Compulsory Uniforms

Personal Protective Equipment

The Work Health & Safety Unit has developed a minimum standard regarding the circumstances in which the University will provide Personal Protective Equipment (PPE). This policy is available on the Policy Repository.

PPE includes clothing which is necessary to protect an employee whilst exposed to hazards in the workplace. The standard contains guidelines on the types of clothing which may be considered to be PPE. The University’s definition of PPE in the Work Health and Safety minimum standard is broadly consistent with the Tax Office’s interpretation of protective clothing. Accordingly, expenditure on PPE will generally be exempt from FBT. Where clothing is required to comply with the PPE minimum standard, it will be funded by the University.

Generally FBT will not apply. Financial Services can provide FBT advice on particular items of PPE if required.

Uniforms required for security or specific identification reasons

In some sections of the University it is important for employees to be easily identifiable for security reasons. Examples may include child care employees, sport and recreation employees and security staff. The University may fund the purchase of appropriate clothing/uniforms in these circumstances. The wearing of these uniforms must be compulsory and it is expected that employees would wear the clothing provided at all times during working hours.

Budget Centres will need to seek written approval from the Chief Operating Officer prior to the purchase of any clothing. The following documentation should be submitted for consideration:

- detailed justification of the necessity for the University to fund clothing;
- written confirmation from Financial Services of the FBT position;
- A draft uniform policy for use of the uniform (refer to the ATO website for details);
- details/description of the clothing to be provided;
- name of supplier;
- estimated cost; and
- employees to receive clothing.
**FBT and Uniforms/Clothing**

Fringe Benefits Tax (FBT) may apply to the purchase of any clothing for employees unless the strict guidelines set out by the Australian Taxation Office (ATO) are followed.

**Fringe Benefits Tax on Clothing/Uniforms (Australian Taxation Office Guidelines)**

Generally, the provision of clothing to University employees will be subject to FBT unless it falls within the FBT guidelines for protective clothing and compulsory uniforms. Staff are advised to refer to the Australian tax office website for the latest details.

**Compulsory uniforms**

A uniform is deemed to be compulsory if it is distinctive (i.e. it identifies the relevant employer), and is prescribed by the employer in a written policy that makes it a requirement that a particular class of employees wears that uniform while at work. The compulsory uniform policy must stipulate the colour, style, and type of clothing and accessories that form part of the uniform. Also, the wearing of the uniform must be strictly and consistently enforced.

A ‘class of employees’ is defined as a class of employees based on the level or category of work. The ATO has confirmed that a ‘particular class of employee’ in terms of the University would include all staff of a particular College, Faculty, School, Institute, Centre organisation, or Division, and therefore, a compulsory uniform policy could be implemented on an individual College, Faculty, School, organisation, or Division (including Institutes and Centres) basis. Where the above requirements of a compulsory uniform are met entirely, the provision of uniforms to staff will be exempt from FBT.

Refer to the Fringe Benefits Tax Guidelines for general information on fringe benefits.

**Miscellaneous Reimbursements**

**Passports and Visas**

Passports are considered to be a personal expense but visas will be paid for by the University. Refer to Travel Guidelines and General Purchasing Guidelines. Passports and visas are a right to travel for an individual and the tax office has deemed them to be a non-deductible personal expense. Visas are deemed minor fringe benefits and are exempt from FBT, whereas passports will be subject to FBT if authorised to be paid for by the University.

**Relocation Expenses**

Under specific circumstances the University will pay relocation expenses for staff. Refer to Relocation Policy and Procedures on the Policy Repository website.
Other Miscellaneous Reimbursements

Refer to the General Purchasing Guidelines miscellaneous expenditure table for details. For any further queries, please contact the Manager, Operations or the Manager, Payroll Services.

Reimbursement for Personal Expenditure

The University will only meet the cost of personal expenses of staff members when they are directly related to their work functions. These costs will only be paid by Financial Services upon receipt of a claim authorised by the Head of Budget Centre and supporting documentation in respect to the payment.

All reimbursements of personal expenses require supporting documentation demonstrating that the claimant has made the payment and the expenditure was for University business purposes. These claims must then be authorised by of the Head of Budget Centre. In authorising these claims the Head of Budget Centre must be satisfied that the expenses are directly related to the employee’s work functions. Once the above steps have been completed the claim can be forwarded to Financial Services for payment.

Reimbursements for minor amounts can be made through the petty cash system.

Details of what is regarded as University expenditure is covered in the General Purchasing Guidelines, in particular at Appendix B.

Definitions and Acronyms

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<tr>
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<tr>
<td>Academic Unit</td>
<td>Means the secondary organisational unit in the academic structure of the University, reporting directly to the Executive Deans, as per Ordinance 14 – Academic Structure.</td>
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<tr>
<td>College</td>
<td>Means (a) the primary organisational unit in the academic structure of the University, as per Ordinance 14 – Academic Structure (b) the University College</td>
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Relevant Policy Document

Procurement Policy

Other Related Policy and Practice Documents

Policies

Travel Policy

Procedures and Guides

Fringe Benefits Tax Guidelines
General Purchasing Guidelines
Travel Guidelines

Links

Human Resources Website
Work Health and Safety Website
Policy Repository

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