

Policy Title: Entertainment and Catering Expenditure

Policy Owner: Chief Financial Officer

Keywords: Entertainment, Hospitality

Policy Code: PL247 (ad087)

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1. INTENT

The purpose of this policy is to provide a consistent approach to expenditure relating to official hospitality, catering and entertainment across the University.

2. ORGANISATIONAL SCOPE

All ECU staff.

3. DEFINITIONS

TERM	DEFINITION
Employee	For the purposes of this policy, includes University staff members, or an associate of a University staff member (spouse / child / relative).
Entertainment Expenditure Limits	A document reviewed annually published by the Vice-President (Corporate Services) which outlines the expenditure limits which will apply for the upcoming 12 month period.
Guests	Persons visiting or being hosted by the University for business reasons, including media representatives, representatives of government, business or industry, and recognised community organisations, students, and persons not otherwise defined as an Employee under this policy.
Fringe Benefits Tax (FBT)	FBT is imposed by the Australian Taxation Office on certain entertainment and other benefits provided by the University to Employees or associates. FBT is charged to the area responsible for the underlying expenditure at a rate of approximately 1.05 times the cost of the benefit. The FBT charge effectively doubles the cost of the benefit originally provided. Details with respect to when FBT applies to entertainment expenses can be found at FBT Entertainment Help .

4. POLICY CONTENT

4.1. Entertainment Expenditure Limits

- The Vice-President (Corporate Services) will annually publish Entertainment Expenditure Limits which will be used by Employees.
- Approval is required from the Vice-President (Corporate Services) in order to exceed these limits outside of the authority provided to the Executive Dean, Dean or Director in the Entertainment Expenditure Limits.
- The Entertainment Expenditure Limits will apply to all entertainment and catering expenditure types unless otherwise specified.
- Refer <https://secure.ecu.edu.au/service-centres/staffonly/FBSC/Procedures/90!-Business-Services/Entertainment-Expenditure-Guidelines.pdf>.

4.2. Types of Entertainment Expenditure

4.2.1. Working Breakfast, Lunch or Dinner

- General entertainment expenditure for breakfast, lunch or dinner should be reasonable and have approval by the relevant Executive Dean, Dean or Director.

4.2.2. Entertainment Whilst Travelling on Business

- For Employee sustenance meals refer to the [Travel Policy PL060](#).
- For entertainment of Guests while travelling on business, refer to Section 4.5 below.

4.2.3. Employee Functions

- It is permitted to provide entertainment and/or catering at functions attended by ECU Employees where there is a clear benefit in terms of training and/or staff morale.

4.2.4. Employee Farewell Functions

- Farewell functions for Employees should take into consideration the departing Employee's length of service and position within the University as should any farewell gifts purchased.
- Contributions towards such gifts should be sought from the colleagues of the departing Employee.
- Gifts to employees from the University may be exempt from FBT if they are within certain ATO limits. Consideration should be given to the FBT free limits before the value of a gift is decided and guidance should be sought from FBSC Financial Services on these limits.
- Farewell functions should be limited to in-house morning or afternoon teas unless approval is given in advance from the Vice-President (Corporate Services).

4.2.5. End of Year Functions

- Expenditure on end of year functions for Employees is permitted. Any associated costs above the approved amount must be met personally by Employees. **All** functions of this nature are subject to FBT.

4.3. Catering for Events and Meetings

- Purchasing of coffee, tea or similar refreshments from campus cafes for meetings between ECU colleagues is not an acceptable expense unless it involves meeting with people from another organisation regarding university business or unless approved by the relevant Executive Dean, Dean or Director.
- Event/meeting organisers will, at all times, seek (where practicable) to secure catering services for on-campus events/meetings from one of the campus-based preferred commercial food and beverage providers listed in the following <http://www.ecu.edu.au/about-ecu/campus-facilities/food-cafes-and-taverns>.
- Where it is not practicable, the Event Organiser may procure catering services from an approved off-campus supplier (details can be obtained from the Strategic Procurement Team).

4.4. Token of Recognition

- As a general guide, it is permitted to purchase on behalf of the University, a floral arrangement or token of acknowledgment for Employees or associates of the University recognising significant events (e.g. birth of a child, marriage or bereavement).

4.5. Meals at External Venues

- It is reasonable for the University to pay for meals at an external venue for staff and Guests provided that the purpose is for University business.
- Meals for teams (including planning days) where no Guests are present must be approved by the relevant Executive Dean, Dean or Director before being organised.
- Care should be taken in planning to ensure that expenditure is reasonable in regard to the choice of venue (value/quality for money), and the amount of alcohol provided.

4.6. Conferences

- It is permissible to exceed the published Employee Entertainment Expenditure Limits when attending an external conference when the cost of meals is included as part of the conference cost. It is not intended that ECU representatives make separate arrangements from other delegates.
- Conferences hosted by ECU should adhere to the Entertainment Expenditure Limits.

4.7. Common Areas

- It is permitted to provide basic items (e.g. microwave, standard toaster, kettle, tea pot, jugs, cutlery and crockery) provided that they are located in a designated common kitchen area and accessible to all Employees.
- Employees are asked to be mindful and considerate of expenditure on items that are not deemed 'essential' to the department, i.e. luxury and top-of-the range items.
- It is the responsibility of the event organiser to ensure that following an event/meeting all common areas are cleaned and left in their original state.

4.8. Substantiation Requirements

University Credit Cards will be used to pay for Entertainment. Where this is not possible:

- Claims for payment or reimbursement are subject to the normal University requirements for substantiation and must be accompanied by original tax invoices and/or receipts.
- Adequate declarations and documentation must be provided to enable claims to be approved. As a minimum requirement, the FBT Entertainment Form (<http://www.fbsc.ecu.edu.au/site/resource/FA-FBT.entertainment.doc>) must be completed and duly authorised in any application for reimbursement of expenditure on hospitality or entertainment.

4.9. Additional Approval and Clarification Requirements

- Prior approval is required in order to exceed the published Employee Entertainment Expenditure Limits. The document “Entertainment Expenditure Limits” will outline the approval process.
- If Employees have any doubts regarding what is a reasonable expenditure amount, they should contact their Executive Dean, Dean or Director in the first instance; alternatively they can contact their Business / Finance Manager.

5. ACCOUNTABILITIES AND RESPONSIBILITIES

In relation to this policy, the following positions are responsible for the following:

Policy Owner

The Policy Owner has overall responsibility for the content of this policy and its operation in ECU.

Vice-President (Corporate Services) will publish “Entertainment Expenditure Limits” every 12 months.

Executive Dean, Dean or Director

Executive Deans, Deans and Directors should be aware of their obligations as they pertain to this policy.

Employees

Employees are required to comply with the content of this policy and to seek guidance in the event of uncertainty as to its application.

6. RELATED DOCUMENTS:

6.1 Other documents which are relevant to the operation of this policy are as follows:

- [Travel Policy \(PL060\)](#)
- [FBT Entertainment Help](#)
- [ATO Reasonable Travel Expenditure Rates](#)
- [Entertainment Expenditure Limits](#)
- [Alcohol and Other Drugs Management \(PL110\)](#)
- [Functions on Campus \(PL120\)](#)
- Food Act WA (2008) as defined at: www.public.health.wa.gov.au
- [Sustainability Policy \(PL249\)](#)
- [Work Health and Safety Policy \(PL139\)](#)

7. CONTACT INFORMATION

For queries relating to this document please contact:

Policy Owner	Chief Financial Officer
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8. APPROVAL HISTORY

Policy Approved by:	Vice-Chancellor
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