

Entertainment Policy

Section 1 - Purpose

(1) This Policy specifies when the provision of entertainment and hospitality is appropriate, and the level of accountability for these activities

Background

(2) The provision of entertainment and hospitality by University staff to further University objectives is a legitimate professional activity. As a publicly funded body, however, the University must ensure that public sector standards of accountability are maintained.

(3) This Policy, and the [Entertainment Schedule](#), aim to provide clear direction to staff in determining the nature and amount of the purchase being considered.

(4) Managers and supervisors must exercise good judgement in deciding on the appropriate expenditure for entertainment and hospitality. The link must be clear between expenditure and the business undertakings of the University.

Scope

(5) This Policy applies to the staff, contractors, and students of Macquarie University and its Controlled Entities, where University funds are being used for the provision of entertainment or hospitality.

Section 2 - Policy

Catering

(6) Only University Catering Suppliers can be engaged to cater on University premises where University Funds are being utilised. Use of a University Catering Supplier must represent value for money and be in accordance with the [Procurement Policy](#).

(7) The use of an external supplier to provide catering on University premises is not permitted except for instances when it is a requirement for Walanga Muru - Office of the Pro Vice-Chancellor (Indigenous Strategy), to provide Indigenous food or where a specialised catering is required on religious or cultural grounds.

(8) Where the numbers involved at a working lunch / breakfast do not warrant catering, it is permissible to purchase food and drinks from a Campus Life (U@MQ Ltd) outlet or University Catering Supplier.

(9) Where a Special Celebratory Function is held, there is no requirement for it to be catered but if it is catered, the caterer must be a University Catering Supplier who supplies those services except for instances when it is a requirement for Walanga Muru - Office of the Pro Vice-Chancellor (Indigenous Strategy), to provide Indigenous food or where a specialised catering is required on religious or cultural grounds.

(10) Where the Special Celebratory Function is not to be catered it is permissible to purchase entertainment supplies

from an external grocery / food supplier.

Approvals

(11) Where the use of entertainment or hospitality is required by a staff member lacking the appropriate Financial Delegation of Authority the expenditure of University Funds on entertainment and hospitality must be approved in advance by a supervisor with the appropriate financial delegation.

(12) Where payment is by credit card the most senior staff member present at an external or internal venue must pay the entertainment invoice.

(13) The invoice / credit card reconciliation must be approved by a higher level of authority than the person who paid the invoice.

(14) In the case of lunches / dinners at external venues, the approval authority at the higher level should not have attended the function.

Approved Entertainment, Hospitality and Catering Expenditure

(15) Expenditure on entertainment and hospitality must be:

- a. for University purposes;
- b. properly documented; and
- c. available for scrutiny by both internal and external audit.

(16) Expenditure for the sole purpose of entertaining University Staff is not permitted unless otherwise exempted in this Policy. Approval must be sought in advance from a staff member's supervisor if there is any doubt about whether expenditure is appropriate.

Family and Friends

(17) Expenditure on entertainment or hospitality for University Staff family and friends is only permitted when they have a business connection to the University or it is appropriate that a staff member's partner attend a University function.

Limits on Expenditure

(18) Entertainment, hospitality and catering expenses must be incurred against operating funds unless specifically provided for under the terms and conditions governing expenditure of other funds (e.g. research grants).

(19) Although the cost of entertainment, hospitality and catering varies depending upon the venue and nature of the function, staff are required to minimise expenditure.

(20) Where the expenditure relates to Official Functions involving formal dining, an amount up to the dinner allowance amount on the [Travel Allowances \(ATO\)](#) webpage may be used as a guide. A staff member must obtain supervisor approval for amounts in excess of this. For this purpose, the supervisor will usually be the Executive Dean, Head of Office or appropriate delegate as decided by the Executive Dean or Head of Office.

(21) Where the expenditure relates to a Special Celebratory Function there is a limit of \$30.00 (excluding GST) per staff member per year.

Substantiation Requirements

(22) University credit cards are to be used to pay for entertainment. Where this is not possible:

- a. claims for payment or reimbursement are subject to the normal University requirements for substantiation and must be accompanied by original invoices and / or receipts. A valid tax invoice must be provided for all expenses exceeding \$50.00, and
- b. adequate declarations and documentation must be provided to enable claims to be approved. As a minimum requirement, the following items must be recorded and included in any application for reimbursement of expenditure on hospitality or entertainment:
 - i. explanation of University purpose;
 - ii. name of all persons attending and external organisations represented; and
 - iii. names of all University staff attending.

Fringe Benefits Tax

(23) Fringe Benefits Tax (FBT) is payable on entertainment expenditure by University staff, and is charged back to the Department / Office responsible for the expenditure. The effect of FBT is to double the cost of entertainment and this must be taken into account in any decision to incur entertainment expenditure.

Section 3 - Procedures

(24) Nil.

Section 4 - Guidelines

(25) Nil.

Section 5 - Definitions

(26) Commonly defined terms are located in the University [Glossary](#). The following definitions apply for the purpose of this Policy:

- a. Catering means the supply of food, drink or provisions by a catering supplier for the purpose of entertainment and / or hospitality;
- b. Contractors means all legal entities with a contractual relationship with the University, including but not limited to service providers and academic contractors engaged in providing teaching and / or research services;
- c. Controlled Entity means a person, group of persons or body of which the University or the Council has control within the meaning of Section 39 (IA) or 45A (IA) of the [Government Sector Audit Act 1983](#) (NSW);
- d. Crunch Catering means the catering arm of U@MQ Ltd which is a company that is 100 percent owned by the University (i.e. a Controlled Entity);
- e. Entertainment means expenditure for food, drink or recreation and any accommodation or travel associated with these.
- f. Hospitality means the reception and entertainment of guests or strangers with courtesy and kindness;
- g. Official Functions has the meaning given to it in the [Entertainment Schedule](#);
- h. Staff means all continuing, non-continuing and casual staff and contractors of the University and its Controlled Entities;
- i. Students means students currently enrolled at Macquarie University;
- j. Special Celebratory Function has the meaning given to it in the [Entertainment Schedule](#);
- k. U@MQ Ltd means a separate legal entity, governed by its own Board of Directors, but also connected to the University legally, financially and operationally;

- l. University Catering Suppliers means any food supplier that has a current tenancy agreement with Macquarie University or one of its Controlled Entities;
- m. University Funds means all funds received by the University or a Controlled Entity from any source for any purpose;
- n. University Staff means all continuing, non-continuing and casual staff and contractors of the University and its Controlled Entities;
- o. Working Lunches / Breakfasts means meetings held during normal lunch or breakfast periods.

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