ENTERTAINMENT Vice Chancellor's DIRECTIVE

Frequently Asked Questions

The below are examples where entertainment is undertaken by university staff and whether the entertainment is in accordance with the Entertainment Directive.

As a general principle, entertainment solely between university staff is prohibited under the Directive. Exceptions are annual Christmas Parties, events recognising significant staff achievements and working lunches, morning/afternoon teas on university premises. Managers and supervisors are to exercise good judgment in deciding on the appropriate expenditure for entertainment and the frequency and it must be properly documented and available for scrutiny by both internal and external audit.

1. **The CFO wants to take his team out for Friday lunch and leave a 10% tip.**
   This entertainment is solely between university staff and is generally not a University expense unless the function is to recognise a significant staff achievement such as successful completion of year end statutory accounts or significant team project. In this situation the entertainment cost but not the tip is a university expense. The cost associated with tipping in some circumstances will be met by the University but this is not the general rule and not encouraged by the University.

2. **A UTS Staff member goes on maternity leave and staff organise flowers.**
   Generally this is a non-university expense and should be paid by staff collection. However the Manager has discretion to approve the expense based on the staff member length of service subject to approval by the appropriate delegation within the approved budget limit.

3. **A UTS Dean is travelling for business and invites a fellow travelling UTS colleague for dinner to discuss the seminar they attended.**
   This is a University travel expense as the UTS employee is entitled to a meal as part of their travel. Expenditure is from their travel budget rather than their entertainment budget and should be coded to the following natural accounts;
   - 71020 Travel Meals – Domestic (for Domestic Travel)
   - 71120 Travel Meals – Overseas (for Overseas Travel)

   The Travel Guidelines outlines the acquittal process.
4. A UTS Dean is travelling for business and invites a Dean from Harvard Business School for dinner.
   This is a university expense if the entertaining is for a university purpose.

5. Director organises Melbourne Cup drinks for staff celebrations.
   Melbourne Cup drinks if part of an employee morale-building activity is a university expense. The activity should promote team harmony and team bonding within a particular department or section and be approved by the Director or Dean.

   Ad hoc Birthday cakes and gifts for staff should be paid from a voluntary collection and therefore not a University expense. However as per point 5.2 of the Entertainment Directive, Group bi-monthly or quarterly birthday cakes are included as an employee morale-building activity and are therefore included as a university expense.

7. A meeting is scheduled over a lunch period and provides a working lunch in the meeting room.
   Meetings should ordinarily not be scheduled during normal lunch period unless:

   a. Only available time for meeting occurs during normal lunch period; and
   b. It is not reasonable to expect staff to make their normal arrangements for lunch:

   If above conditions apply then it is an eligible university expense.

8. UTS Professor Slipper has lunch with UTS Professor Thompson in The Rocks to discuss an upcoming short course.
   This entertainment is solely between university staff and is not a University expense under the Directive.

9. The Director has implemented a staff building initiative within his Unit which includes an annual all staff lunch.
   Entertainment solely between University staff is generally not a University expense unless the function is to recognise a significant staff achievement. In this situation the entertainment is a University expense as it is part of a Director implemented staff building initiative.

   Staff building initiatives are activities which promote team harmony and team bonding within a particular department or section and has been approved by the Director or Dean.
10. A UTS lecturer does a spontaneous wrap party for a short course and invites everyone to the pub.
If included in the budgeted expenses for the short course and approved prior by the appropriate delegation within the approved budget limit then after course drinks to mark the end of the short course is a University expense.

If not included in the pre-approved budgeted expenses for the short course then it is a personal expense of the lecturer.

11. UTS lecturer is travelling overseas to attend a seminar and is invited to dinner with other associates from the seminar and asked to contribute to the meal cost and a tip. This is a University expense as the UTS employee is entitled to a meal as part of their travel. Tipping using University funds is not encouraged by the University. The University does, however understand that there are some situations where tipping may be required. Overseas, a maximum tip of 10%* of the total bill will be covered by the University. Expenditure is from their travel budget rather than their entertainment budget and should be coded to the following natural accounts;
• 71020 Travel Meals – Domestic (for Domestic Travel)
• 71120 Travel Meals – Overseas (for Overseas Travel)

The Travel Guidelines outline the acquittal process.

*Where national customs dictate higher tipping percentages, staff and their supervisor are to manage and agree appropriate expenditure and that the tip is at an acceptable level prior to any expenditure.