

Business Expenses Policy Schedules 1 & 2

Authority	Business Expenses Policy
Effective date	31 March 2020
Review date	18 December 2020
Owner	Chief Financial Officer
Author	Chief Audit and Risk Officer
Version no.	1.4
Contact	policy@rmit.edu.au
Register reference	POL/2020/00015

Explanatory statement

These schedules are made pursuant to the Business Expenses Policy.

Contents

Schedule 1 - Allowable Expenses Guidance.....	2
Schedule 2 - Non-Allowable Expenses.....	7

Schedule 1 - Allowable Expenses Guidance

These schedules are not exhaustive lists. Where it is unclear whether an expense is allowable, staff must discuss with their manager prior to incurring the expense. RMIT travellers incurring business expenses must also refer to the Travel Policy.

Expense	Commentary
Gifts	- As an overarching principle gifts should not be cash or cash equivalents. If gift vouchers are given, they should be specific for the occasion – not supermarket or liquor store vouchers. The exception to this is gifts used for research purposes and approved by a member of the VCE. In these cases, a full register must be maintained, noting the date of the gift, the purpose and the recipient. The register must be available for audit purposes as needed. - A gift for a departing employee - the amount should be reasonable, equitable and commensurate with length of service, nature of the position and conditions of the departure. An amount of \$25 per year of service is reasonable, up to a maximum of \$250, and the gift should be arranged by the relevant people leader. In addition, a farewell function of modest value may be arranged based on sound judgement and the number of people attending, approved by the relevant people leader. Managers should contact HR Assist for advice on gratuities for retiring employees. - A gift to an employee for a significant professional accomplishment such as a promotion, or professional award, recognition of outstanding effort or significant personal event such as the birth of a child or death of a family member where the value is limited to \$150 (GST inclusive). - A gift of modest value may be given to an individual not employed by the University in recognition of an event. These would most typically be to students, alumni, and friends who have provided volunteer service and leadership to the University. It would also include a gift to a host when traveling. Any show of appreciation should be consistent with University policy and should not exceed \$150 (GST inclusive).
Reimbursements (research)	Cash payments (treated as reimbursements) to participants in ethics approved RMIT human research projects and activities are permitted under this policy, subject to the following conditions: - auditable records must be retained - payments must remain appropriate, in accordance with the <i>National Statement on Ethical Conduct in Human Research (2007)</i>
Meals/Entertainment	Food and beverage expenses are allowable when provided for legitimate University-related business reasons and are 'reasonable' based on sound judgment, nature of the event and the number of people attending. As a guide, when going out for a meal – breakfast \$25, lunch \$40, dinner \$55 would be considered reasonable however

Expense	Commentary
	international locations should consider local standards when determining what is reasonable. However, coffee or lunch meetings with colleagues are not allowable expenses unless they are attending to University business and include meeting with people from another organisation. • Tipping in Australia is not an allowable expense but may be necessary in some countries – use local guidelines to determine if tipping is the norm and the tip, if required, should not exceed 20% of the total value of the bill. • With respect to providing food and beverages during work-related meeting, organisers of meetings should take appropriate steps to ensure that where possible meetings are not held over meal times (such as early mornings, 12 noon to 2pm or after 6pm) but if schedules require it, the cost of the meal or beverages is an allowable expense, in line with the principles of this policy – that is, it is <i>necessary, reasonable and appropriate</i>. • If the food/entertainment is used as a reward, morale booster for colleagues or for entertaining travelling / visiting colleagues, these situations must be modest and non-repetitive in nature. • As a rule, spouse/partner meals are not reimbursable. Circumstances where a spouse's (or guest's) meal would be reimbursable as a business expense would be in the rare circumstance where the University requires the presence of a spouse/partner to further an institutional purpose. • In all cases, a list of attendees including titles, total number of attendees, and the business purpose of the meeting needs to be provided along with the original receipts in order for the expense to be covered.
Alcohol	• When consumed with food or as part of other necessary business entertainment and the alcohol component is not the primary expenditure submitted for reimbursement. In all cases alcohol must be consumed responsibly. • Gifts of alcohol given in recognition of a staff member's contribution to special University events, such as planning or strategy days or speaking at a University event, or for a special occasion, with a limit of \$100 (GST inclusive) are allowable. • Individuals are not permitted to take alcohol home that has been purchased by university funds and which isn't a gift to the individual.
Festive celebrations	Only Christmas or festive season functions approved by a member of the VCE and within the allowance provided for the function in the annual budget.
Academic gown hire	The hiring of academic dress for attendance at University and/or academic related events, where such attire is required.
Laundry/Dry-cleaning	Should be covered within the staff member's per diem if one is being claimed. If not, it will be approved only on business related travel where the journey exceeds 5 nights.

Expense	Commentary
Parking	Parking at approved airport or other parking stations where this is a lower cost option than taxis and when its related to university business. Note: evidence may be required to substantiate the lower cost.
Taxi/Ridesharing service	• When travelling for University business or where a function/work day ends late in the evening. • Corporate cars and limousines are not authorised unless approved by a VCE member and only in exceptional circumstances. • The most cost-effective means of transportation must be used while on RMIT-related activities. For the purposes of this policy: • Taxi refers to as a metred taxi service • Ridesharing service refers to transport provided by a company that matches passengers with vehicles via websites and mobile apps e.g. Uber, Ola
Fuel/tolls	• When you are required to travel on University-related business: ◦ between campuses; or ◦ from an RMIT campus to another authorised location. • Not for travel between home and the normal place of work. • Where a corporate card is used to pay for fuel or tolls, records must be maintained to evidence the journey and cost. Note: Evidence may be required to show that these costs are not personal expenses.
Public Transport	When travelling for University related business.
Hotels/Accommodation	• When you are travelling for University related business and you must use hotels on the approved list which can be found on the RMIT Travel intranet page. Where there isn't a hotel on the list for the location you are travelling to then a good guide for reasonable cost is \$300 in Australia. International locations should consider local standards when determining what is reasonable and a similar test should be considered for other offshore locations. • When a conference organiser provides pre-negotiated rates for accommodation close to or at the venue the traveller may book that accommodation subject to the conditions under the Travel Policy. • Airbnb or the use of other shared economy rental services without a reception desk, are not not permitted but may be used in exceptional circumstances only. Conditions include: ◦ approval is sought 30 days prior to travel

Expense	Commentary
	- the travel period exceeds 28 nights duration - the traveller must provide evidence to justify why staying in this property is necessary (e.g. location, availability, cost, condition of previously signed agreement) and have VCE member approval - the traveller must provide a statement acknowledging that the necessary due diligence has been undertaken to ensure the accommodation is appropriate for the travel situation, meets work needs and the traveller accepts all responsibility for their personal safety, and that of anyone staying with them.
Printing, photocopying or hotel internet	If required for business purposes and no other option is available.
University issued mobile devices	- The cost centre manager authorises a corporate mobile device to be assigned to an employee. The mobile device remains the property of RMIT at all times. - Occasional and low-cost personal use is acceptable when related to work activity (for example, when working away from the office or outside of normal working hours to confirm safe arrival or notify delay.) Unacceptable and high-cost personal use may be subject to reimbursement. - It is the responsibility of the authorised user and relevant cost centre to arrange repairs on damaged devices.
Non-University issued mobile charges	Where staff have a claim for the costs of reasonable and genuine business use of their personal mobile communication devices, they may submit a request for reimbursement to their manager via the University's expense reimbursement system. The claim should be limited to the business use element of the charge and must not exceed \$25 per month.
Professional association memberships and professional registration	Where the individual is required to remain accredited in order to fulfil the responsibilities of their role and limited to one per year, unless otherwise approved by a VCE member.
Professional development study support	Reasonable travel and accommodation related expenses relating to approved professional development and/or the maintenance of professional accreditation (as defined in the HR policies).
Publications and Journals	Where related to the employee's responsibilities and intended to increase business or educational knowledge. Limit of one (1) modest subscription per year, of no more than \$200. - Staff must allocate the expense to a research account. - The University Library has many enterprise-wide subscriptions to publications and must be consulted first before any new subscriptions are taken out.

Expense	Commentary
Passport, Visa and work permit fees	- The cost of passports is generally not reimbursable. In the rare circumstance where a passport is required for the first time to enable work travel, or where an employee is required to regularly travel as a core part of their role (>5 trips per year), the cost may be covered at the manager's discretion. - Any business travel related visa or permit costs can be claimed.
Vaccinations	Vaccinations for specific RMIT related travel destinations are permitted as specified in our Travel Policy
Training and conferences	As covered in work plans, where attendance has been approved by an executive (E1 and above) within the approved budget. The approval of the cost can be made by the relevant line manager.
Off sites, retreat and away days	- Only as approved by a member of the VCE and within the following guidelines: structured to minimise travel and accommodation costs, meal costs to be aligned with guidance provided above and modest team building activities or entertainment. Where possible the RMIT events team should be used to identify appropriate locations and activities. - Where the event is explicitly approved within the relevant budget area, further approval at VCE level is not required.
Sponsorship	Sponsorship of external teams or other external groups with a value less than \$10K and with the approval of a VCE member.
Research expenses	Any research expenses must comply with the policy. Costs must be allocated to the relevant research grant or fund and must be in accordance with any grant or funding contractual requirements. Where the grant or contract is inconsistent with this policy, advice should be sought from the Research Integrity and Governance Team.

Schedule 2 - Non-Allowable Expenses

These schedules are not exhaustive lists. Where it is unclear whether an expense is allowable, staff must discuss with their manager prior to incurring the expense.

Expense	Commentary	Exceptions
Personal advertisements relating to individuals	Congratulatory notices or notices that can be reasonably viewed as personal rather than University oriented	Obituaries/death notices as approved by a VCE member
Employee travel to and from work	Normal costs of commuting to work are considered personal expenses	Where there is an unusual work requirement or deadlines, these costs may be approved by an E1 or above
Fees on personal credit cards	Annual fees on personal credit cards are not reimbursable, even if the card is used for business purposes	
Coffee makers or similar small appliances	Where business related, these goods should be purchased through the quotations process and from RMIT Preferred Suppliers as appropriate	
Late payment penalties or interest charges on personal credit cards	These fees are not allowable even on personal credit cards that have been used to pay University-related expenses	
Hotel minibar	Alcohol, drinks, and food products purchased from the mini bar are the personal responsibility of the staff member	Bottled water or in rare circumstances where no other food is available
Tickets to entertainment and sporting events including	These are personal costs	When approved by a VCE member and the Chief Marketing Officer
Parking tickets or traffic fines	These are a personal cost even if incurred while conducting University business	
Personal services	Such as child minding, pet care etc. are considered a personal expense	Where there is a work-related need and the cost has been approved by an E1 or above. Costs will not be approved where staff are provided

Expense	Commentary	Exceptions
		funding for carer support through grants.
Political donations	Of any type	
Sponsorship	Sponsorship of external teams or other external groups with a value greater than \$10K.	When approved by a VCE member and the Chief Marketing Officer
Stolen, lost, or damaged personal property	This is a personal responsibility and they are not reimbursable even if incurred while on University business or property	
Communications costs for the individual's residence such as home internet, virus protection, software and hardware not provided by RMIT	These are personal costs. If RMIT requires remote working and the employee incurs additional costs to personal home internet access to reasonably work remotely, RMIT will reimburse the additional costs incurred on a pro-rata basis i.e. for the time period that the employee is working from home. The employee may submit a request for reimbursement to their manager via the University's expense reimbursement system.	When approved by CIO or delegate and a VCE member.
Cloud based software subscriptions	These need to be purchased via the ITS team and appropriately risk assessed.	When approved by the CIO or delegate
Cost of hiring a dinner jacket or ball gown for formal functions	This is a personal cost	
Personal LinkedIn Membership Fees	This is a personal cost	VCE approval or VC approval for a VCE member.
Dangerous goods/chemicals/biological materials	Purchase of these items must adhere to strict safety requirements and must follow University procurement processes. Purchases of the following items are to be made directly by College/Portfolio approved staff: - chemicals (including gases) classified as hazardous substances and/or dangerous goods - biologicals classified as hazardous substances and/or dangerous goods	College/Portfolio approved staff only

Expense	Commentary	Exceptions
	• scheduled poisons • infectious or potentially infectious biological material • human material • animals and animal material • genetically modified organisms (GMOs) • radioactive substances/material • nanomaterials	
University issued mobile devices	Mobile devices must not be purchased using University credit cards. See Schedule 1 on how to purchase University issued mobile devices.	
Stationary, equipment and/or furniture for the individual's residence or other approved remote working location that is not RMIT's physical premises.	These are personal costs.	

Document history

Version	Approval date	Effective date	Summary of changes	Approval authority
1.0	21 June 2018	1 August 2018	New policy document	Vice-Chancellor's Executive
1.1	3 January 2019	16 January 2019	Minor clarifications to schedules	Chief Financial Officer
1.2	18 December 2019	6 January 2020	Minor amendment following review	Chief Financial Officer
1.3	31 March 2020	25 March 2020	Minor amendment	Chief Financial Officer
1.4	31 August 2020	31 August 2020	Minor amendment	Chief Financial Officer