

SALARY PACKAGING POLICY

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1 PURPOSE

- 1.1 The objective of salary packaging is to maximise flexibility for individuals to meet their personal and financial needs while at the same time ensuring that the benefit arrangements comply with relevant taxation legislation and rulings.
- 1.2 This policy outlines the requirements and expectations of undertaking salary packaging at CQUniversity.

2 SCOPE

- 2.1 This policy applies to CQUniversity employees.

3 POLICY STATEMENT

- 3.1 Salary packaging will be made available to employees under the following principles:
 - no cost to the University, either directly or indirectly. As part of the salary packaging arrangements, the costs for administering the package and any fringe benefits tax (FBT) will be met by the participating employee
 - there will be no additional increases in superannuation costs or fringe benefits tax (FBT) payments made by the University
 - increases or variations in taxation will be passed to employees as part of their salary package
 - there will be no significant workload or other recurring costs to the University
 - the salary packaging arrangements will be managed by the University through contracted bureau service providers.

Eligibility

- 3.2 Employees are eligible to salary package if their employment is:
 - continuing full or part-time, or

- fixed-term full or part-time (employed 12 months or more).

- 3.3 Casual employees are not eligible to participate in salary packaging.
- 3.4 Employees deemed eligible to salary package must complete the relevant application forms and processes as provided by the University or the University's contracted bureau service. Acceptance of the application is at the discretion of the University and will only be given where the employee enters into and accepts all of the formal contractual salary package obligations as required, determined and provided for by the University.

Financial advice requirements

- 3.5 Independent financial advice is strongly recommended before entering a salary package arrangement or when contemplating changing the arrangement to any substantial degree.

What can be packaged?

- 3.6 Employees may package up to 100% of their fortnightly salary to superannuation. Superannuation is administered by the Senior Superannuation Officer within the People and Culture Directorate.
- 3.7 Employees have a choice of packaging benefits (other than superannuation) through the University's Salary Packaging Provider and can package up to 50% of their fortnightly salary for these items.
- 3.8 Eligible Senior employees are able to package a motor vehicle directly through the University in accordance with the [Motor Vehicle Policy](#) and [Motor Vehicle Procedure](#).
- 3.9 Leave loading and allowances are not considered as part of the entitlements for salary packaging purposes.
- 3.10 To classify as an effective salary sacrifice arrangement it is essential that the amount to be sacrificed is agreed before the income is earned.

4 RESPONSIBILITIES

Compliance, monitoring and review

- 4.1 The Deputy Director, Financial Accounting and Operations and Director, People and Culture is responsible for monitoring, reviewing and ensuring compliance with this policy.

Reporting

- 4.2 No additional reporting is required.

Records management

- 4.3 Employees must maintain all records relevant to administering this policy in a recognised University recordkeeping system.

5 DEFINITIONS

- 5.1 Terms not defined in this document may be in the University [glossary](#).

Terms and definitions

Senior employees: CQUniversity employees appointed on a senior management contract.

6 RELATED LEGISLATION AND DOCUMENTS

[Central Queensland University Enterprise Agreement 2017](#)

[Motor Vehicle Policy](#)

[Motor Vehicle Procedure](#)

7 FEEDBACK

7.1 Feedback about this document can be emailed to policy@cqu.edu.au.

8 APPROVAL AND REVIEW DETAILS

Approval and Review	Details
Approval Authority	Vice-Chancellor and President
Advisory Committee to Approval Authority	Vice-Chancellor's Advisory Committee
Administrator	Director, People and Culture
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