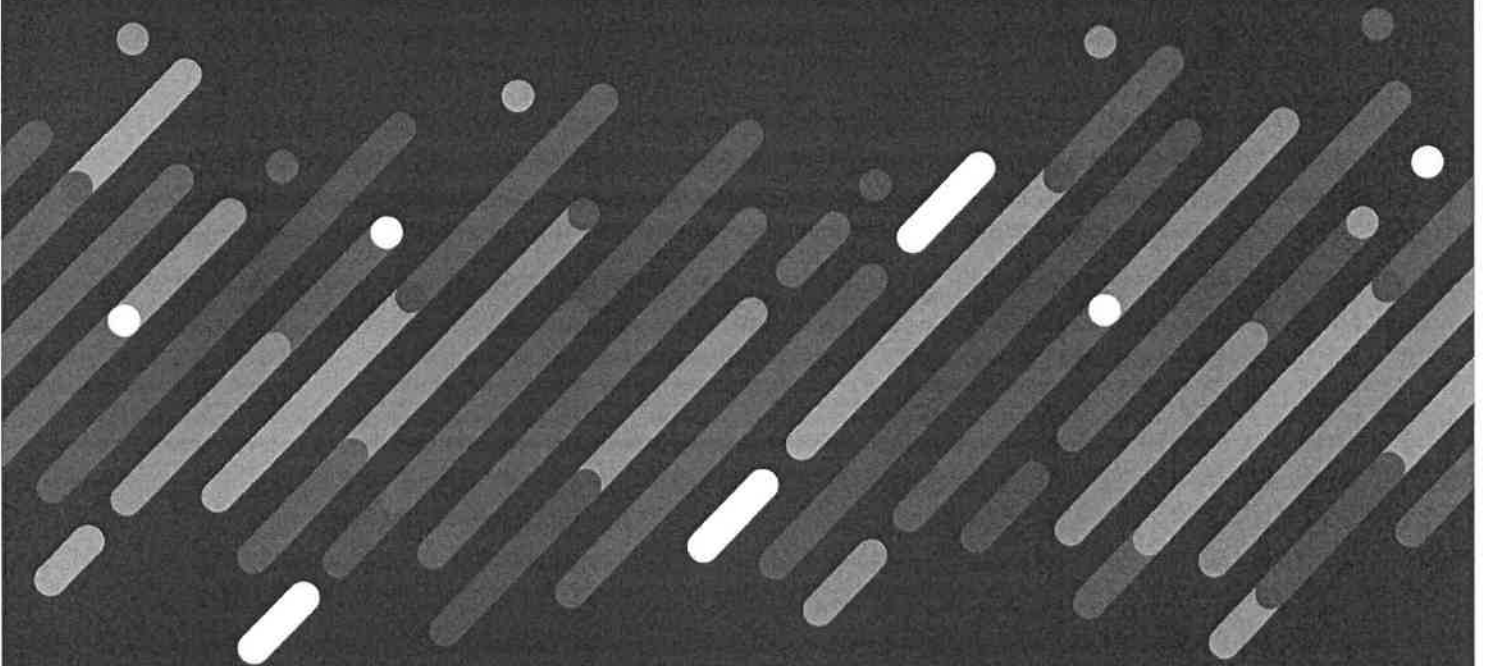




Australian Government
Department of Education

Official Hospitality and Business Catering Policy

Department of Education



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1. Purpose

- 1.1 The Department of Education (the department) Official Hospitality and Business Catering Policy (the policy) provides direction to employees and non-employees (contractors/consultants) in relation to organising Official Hospitality and/or Business Catering on behalf of the department.

2. Accountability

- 2.1 All officials must:
- comply with the department's Official Hospitality and Business Catering Policy
 - not enter into an arrangement under section 23(1) of the PGPA Act for official hospitality or business catering unless you hold a relevant financial delegation
 - ensure you have received spending approval under section 23(3) of the PGPA Act prior to the commitment of relevant money
 - not purchase alcohol unless written approval has been provided by the Secretary or Deputy Secretary
 - comply with the CPRs, as well as AAI 2 when procuring goods or services to provide official hospitality or business catering, and
 - ensure an Entertainment Form is completed and approved in Financial Management and Compliance System (FMCS) prior to the provision of the official hospitality or business catering.
- 2.2 Any decision to spend relevant money on official hospitality or business catering must be publicly defensible.
- 2.3 Approval of relevant money on official hospitality or business catering must only be given where the benefits outweigh the costs or are in the public interest.
- 2.4 Only the Secretary may approve Official Hospitality or Business Catering applications that do not comply with this Policy (i.e. provide an exemption).

3. Official Hospitality

- 3.1 Official hospitality generally involves the use of public resources to provide hospitality to persons other than departmental staff, to facilitate the achievement of one or more Commonwealth objectives. The costs must be reasonable and appropriate for the situation.
- 3.2 Below are examples of when it may be appropriate to purchase official hospitality:
- Senior Executive Service (SES) officials are required to entertain non-departmental officials in the course of their SES duties (e.g. program, policy or service launches attended by media)
 - customers are attending a department-hosted meeting, seminar or community event (e.g. events associated with advisory committee functions), or
 - when provided to international visitors or to members of the diplomatic and consular corps to facilitating goodwill during a visit (e.g. provision of gifts during foreign visits or for visiting delegates).



- 3.3 Official hospitality must not be purchased unless:
- there is a business need for the provision of official hospitality, and
 - the nature and cost of the purchase is reasonable and defensible.
- 3.4 An Entertainment Form must be completed and approved prior to the provision of the official hospitality or social events via FMCS.
- 3.5 When planning official hospitality that comprises of a meal (breakfast, lunch or dinner), expenditure must be calculated on a cost-per-head basis, with upper limits for each meal type in line with the current travel allowance rates from the Australian Tax Office (ATO). The below rates are current as per Table 3 within the 2023-24 ATO travel rates. The ATO reviews these amounts for public officers on an annual basis and this policy will be updated to reflect any changes to rates. It is expected that when organising business catering on behalf of the department, efforts will be made to provide hospitality at a lower cost than these limits.

Breakfast	Lunch	Dinner
\$38.90 per head	\$55.00 per head	\$77.00 per head

- 3.6 Only SES officers are authorised to approve official hospitality within their financial delegation limits. SES must:
- ensure approval is given prior to the official hospitality
 - not approve official hospitality if they will be an attendee at the event
 - only approve an Entertainment Form which contains the following information:
 - description of the event or function
 - location of the function
 - justification of the benefit to the department or Commonwealth
 - details of the goods and or services to be purchased, including estimated total cost, and
 - a list of proposed attendees and whether they are departmental staff, staff from other agencies or external to the Commonwealth.
- 3.7 Where an SES officer is an attendee at the relevant event or function, the SES officer must refer approval to their manager, or an SES officer at a higher level. In the case of a Deputy Secretary, approval must be obtained from the Secretary. Where the Secretary is unavailable, approval can be obtained by a different Deputy Secretary.

4. Business Catering

- 4.1 Business catering is the provision of light refreshments, light meals and non-alcoholic drinks for events such as business meetings, training and planning days.
- 4.2 Business catering must not be purchased unless:
- there is a business need for the provision of business catering, and
 - the nature and cost of the purchase are reasonable and defensible.
- 4.3 An Entertainment Form must be completed and approved prior to the provision of the business catering or social events via FMCS.



- 4.4 When planning official hospitality that comprises of a meal (breakfast, lunch or dinner), expenditure must be calculated on a cost-per-head basis, with upper limits for each meal type in line with the current travel allowance rates from the Australian Tax Office (ATO). The below rates are current as per Table 3 within the 2023-24 ATO travel rates. The ATO reviews these amounts for public officers on an annual basis and this policy will be updated to reflect any changes to rates. It is expected that when organising business catering on behalf of the department, efforts will be made to provide hospitality at a lower cost than these limits.

Breakfast	Lunch	Dinner
\$38.90 per head	\$55.00 per head	\$77.00 per head

- 4.5 Only SES officers are authorised to approve business catering within their financial delegation limits. SES must:
- ensure approval is given prior to the business catering
 - not approve business catering if they will be an attendee at the event
 - only approve an Entertainment Form which contains the following information:
 - description of the event or function
 - location of the function
 - justification of the benefit to the department or Commonwealth
 - details of the goods and or services to be purchased, including estimated total cost, and
 - a list of proposed attendees and whether they are departmental staff, staff from other agencies or external to the Commonwealth.
 - Approval of relevant money on business catering must only be given where the benefits outweigh the costs or are in the public interest.
- 4.6 Where an SES officer is an attendee at the relevant event or function, the SES officer must refer approval to their manager, or an SES officer at a higher level. In the case of a Deputy Secretary, approval must be obtained from the Secretary. Where the Secretary is unavailable, approval can be obtained by a different Deputy Secretary.
- 4.7 It is **not acceptable** to provide business catering in the following circumstances:
- The purchase of substantial or sit down meals (e.g. three course meals) except where the meal forms part of a conference held for at least one day, in which case the approval is at the discretion of the financial delegate
 - tips to service providers, such as restaurant staff
 - the purchase of tea, coffee, milk, sugar, or biscuits for general use by officials
 - the purchase of simple refreshments for business meeting/events which has a duration of less than three hours
 - provision of any food and/or beverage at social occasions
 - provision of meals for officials who are in receipt of a meal or travel allowance.
- 4.8 It **may be acceptable** to provide business catering in the following circumstances:
- the purchase of simple refreshments or light working lunch for a departmental held gathering that includes guest speakers or facilitators
 - the purchase of simple refreshments for business meeting/training and planning days which have a duration of more than three hours
 - in exceptional circumstances, where departmental employees are required to work outside their normal hours. These employees must not be in receipt of a meal allowance as part of overtime arrangements. Approval must have been provided in writing (or verbally followed by approval in writing) from the appropriate delegate prior to the purchase of the meal. An Entertainment Form must then be completed within five business days of the purchase of the catering.



5. Entertainment Forms

- 5.1 The Entertainment Form is an electronic form in FMCS that is used to record:
- the details of events, meetings or conferences that include the purchase of food and beverage, so that the department can accurately determine any fringe benefit tax (FBT) implications
 - approval to purchase alcohol (if appropriate)
 - spending approval under section 23(3) of the Public Governance, Performance and Accountability Act 2013.
- 5.2 The Entertainment Form is accessed in FMCS. Task cards to assist in completing an Entertainment Form can be found on the [Financial Policy intranet page](#).
- 5.3 Total expenditure for the event that requires spending approval must be requested with the Entertainment Form, where the expenditure is not already covered by a previous signed contract/agreement or a separate approval process (for example, a trip request for official travel relating to the event).
- 5.4 Each Entertainment Form must be reconciled after the event has taken place to confirm the exact costs of the official hospitality or business catering. The responsible official (submitter of the original form) will be sent a reminder email seven days after the recorded event end date.

6. General Ledger (GL) Coding

- 6.1 Once completed, the Entertainment Form will determine the relevant general ledger code (GL) for the transaction to be processed against. There are three GLs that relate to official hospitality and business catering:
- 440100 - official hospitality
 - 440109 - non-official hospitality (business catering)
 - 440101 - other (clearing account).
- 6.2 The GL code will be provided in the notification email back to the contact officer after the spending delegate has provided spending approval in FMCS. Where the person completing the form has indicated that the transaction will be paid by credit card, the nominated cardholder will also receive an email advising of the GL code for the credit card transaction to be coded to, as part of the credit card acquittal process.

7. Financial Delegations

- 7.1 The department's financial delegations identify which positions in the department can make resource management decisions under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Only officials at the SES classification are permitted to approve official hospitality or business catering ([Financial delegation - schedule 1](#) refers).
- 7.2 Delegates must only approve expenditure in line with requirements in the [Accountable Authority Instructions 2 - Procurements](#) and the directions and limitations provided in [Financial delegation - schedule 1](#).



8. Contingent Liabilities

- 8.1 If an event, meeting or conference requires external venue or equipment hire, the supplier may request the department accepts their terms and conditions, which may contain a contingent liability clause. A contingent liability is the risk of a liability arising that may be triggered depending on the outcome of a future event. Contingent liabilities require approval by a delegate listed in *Financial Delegation - Schedule 4*. For more information on contingent liabilities, please contact the Procurement Team.
- 8.2 Certain types of contingent liabilities must be reported in the department's financial statements and annual report. To facilitate this reporting, all contingent liabilities that the department accepts must be reported and approved in FMCS using the Contingent Liability Application.



