

Salary Packaging Policy

Section 1 - Policy Principles

(1) This policy supports the University's commitment to offering staff supportive and flexible work arrangements in achieving its vision.

(2) This policy accords with the [Fringe Benefits Tax Assessment Act 1986](#).

(3) This policy should be read in conjunction with the information contained in the [Salary Packaging website](#).

Section 2 - Policy Intent

(4) To provide enhanced salary packaging arrangements in support of the University's vision. This is a benefit and retention strategy for existing staff, and an important element in developing the University's reputation as an employer of choice in a competitive market place.

Section 3 - Policy Principles

(5) All continuing, fixed term and casual staff members may participate in the flexible salary packaging scheme. Due to the nature of their employment, casual staff members are only eligible to salary package a fixed percentage of their salary to the UniSuper superannuation scheme. Likewise, fixed term staff members may not have access to the full range of benefits and would be limited by the term of their employment.

(6) Eligible staff are able to sacrifice up to 100% of their gross salary after authorised deductions in certain circumstances.

(7) The arrangement is entirely voluntary, and must be entered into prospectively. All available salary packaging benefits will comply with [Australian Taxation Office](#) (ATO) requirements and will fall within three FBT categories:

- a. Exempt Benefits
- b. Otherwise Deductible Benefits
- c. Concessionally Taxed Benefits.

Fully taxable benefits are not available under the University's salary packaging policy.

(8) The University will monitor any changes to the range of available benefits as defined by the ATO. These changes will be reviewed and the list of available benefits will be subject to approval by the Vice-Chancellor.

(9) Staff members are responsible for seeking independent financial advice, particularly in relation to FBT and income tax issues prior to entering into a salary packaging arrangement.

(10) The administration of salary packaging may be undertaken either through in-house arrangements for selected benefits or by utilising the services of an external provider. Please refer to the [Salary Packaging website](#) for benefits that are available to be packaged, and for details of the external provider.

(11) Salary packaging arrangements are to be provided at no cost to the University. Staff electing to enter into salary packaging arrangements will be responsible for all applicable administration fees, charges and taxes. Any outstanding costs associated with salary packaging owed by staff members to the University, including Fringe Benefits Taxation liability will be collected within the following timeframe:

- a. 0 to \$500 over one pay period
- b. \$500 to \$1,000 over two pay periods
- c. \$1,000 to \$2,000 over three pay periods
- d. \$2,000 to \$3,500 over four pay periods
- e. Above \$3,500 by negotiation, but not to exceed six pay periods

Status and Details

Status	Historic
Effective Date	7th July 2016
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Approval Authority	Vice-Chancellor
Approval Date	7th July 2016
Expiry Date	21st November 2021
Responsible Executive	Martin Sainsbury Chief People and Culture Officer martin.sainsbury@newcastle.edu.au
Enquiries Contact	Martin Sainsbury Chief People and Culture Officer martin.sainsbury@newcastle.edu.au <hr/> HR Support 4033 9999

Glossary Terms and Definitions

"Salary packaging" - An arrangement between a staff member and the University where the staff member agrees to forgo part of their salary on a pre-tax basis in return for benefits of a similar value provided by the University (or someone associated with the University). Salary packaging is also commonly referred to as salary sacrificing.

"Staff" - Means a person who was at the relevant time employed by the University and includes professional and academic staff of the University, by contract or ongoing, as well as conjoint staff but does not include visitors to the University.

"Term" - When referring to an academic period, term means a period of time aligned to an academic year for the delivery of a course in which students enrol and for which they are usually charged fees for example semesters, trimesters, summer, winter or full-year term. The academic year for a term is determined by the academic year in which the course commences, not concludes. For all other uses of this term, the generic definition applies.