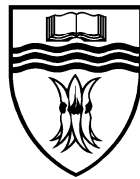


CHARLES STURT
U N I V E R S I T Y



**GUIDELINES FOR THE CSU
VOLUNTARY SALARY
PACKAGING
SCHEME**

November 2009

GUIDELINES FOR THE CHARLES STURT UNIVERSITY VOLUNTARY SALARY PACKAGING SCHEME

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GUIDELINES FOR THE CHARLES STURT UNIVERSITY VOLUNTARY SALARY PACKAGING SCHEME

PART 1 - GENERAL

1 INTRODUCTION

- 1.1 The University recognises that, subject to applicable legislation in place at any time, salary packaging arrangements may provide employees with greater financial flexibility to meet their individual needs.
- 1.2 Employees of the University may participate in the Voluntary Salary Packaging Scheme (hereafter, "the Scheme") in accordance with these guidelines.
- 1.3 The Executive Director, Division of Finance (or nominee) shall be responsible for the administration of the Scheme.

2. OBJECTIVES

- 2.1 The objectives of these guidelines are to provide:
 - (i) a framework for the implementation and conduct of the Scheme;
 - (ii) information concerning the key principles of salary packaging; and
 - (iii) guidelines to employees in regard to participation in the Scheme.

3. DISCLAIMER

- 3.1 While the University has made, and will continue to make, all reasonable endeavours to provide employees of the University with accurate information with respect to the Scheme, the University disclaims all liability with respect to the financial decisions and arrangements made and entered into by an employee under the Scheme.
- 3.2 The information contained in these guidelines is intended to be used by employees of the University as a general guide only with respect to the potential financial advantages or disadvantages of the Scheme and are not to be relied upon as a substitute for independent financial or legal advice.
- 3.3 Salary packaging arrangements are subject to a range of complex legislative provisions. The Scheme shall be subject to all applicable legislation that may be in force at any time.
- 3.4 The University reserves the right to alter or amend the provisions of the Scheme. The circumstances in which the University will amend the Scheme shall include, but not be limited to, the following:
 - (i) to comply with applicable legislation;

- (ii) where the existing range of benefits available under the Scheme is to be extended; and
- (iii) where the University considers it necessary to alter administrative arrangements pertaining to the Scheme.

3.5 In effecting payment to a third party of packaged employment benefits under the Scheme, the action of the University shall not in any way imply a transfer of liability to the University in regard to any agreement made between a participating employee and a third party.

4. **GLOSSARY**

ATO: Australian Tax Office.

Benefit: The items available to be packaged under the Scheme.

Complying superannuation fund: A fund which operates to meet the provisions of applicable legislation and ATO rulings.

FBT: Fringe Benefits Tax. A tax which is payable on certain benefits provided by an employer to an employee.

Gross salary: The amount of money earned before tax is deducted.

GST: Goods and Services Tax.

Novated Lease: A novated lease is a three way agreement between an employee, the University and the financier of a motor vehicle. In brief, a novated lease operates to the effect that the University pays, on the employee's behalf, the fortnightly lease payment to the financier. The amount of the payment is deducted from the employee's pre-tax salary. Where an employee ceases his or her employment with the University, the employee is responsible for all payments that are outstanding under the lease.

PAYG: Pay As You Go (PAYG) is a single, integrated system for reporting and paying withholding amounts and tax on business and investment income. For most taxpayers it replaced a range of taxation systems on 1 July 2000.

Preservation age: The age at which a member of a superannuation fund can access their superannuation funds.

Reportable superannuation contributions: Reportable Superannuation Contributions include:

Discretionary contributions, for example voluntary salary sacrificed contributions, made on your behalf by your employer, above those required by law, an industrial award or the superannuation guarantee,

For CSU staff, this includes salary sacrificed standard member contributions to UniSuper, SSS or SASS, as well as any additional voluntary amounts sacrificed to super.

Salary: Remuneration by way of regular periodical cash payments subject to PAYG tax. For salary packaging purposes, salary shall exclude overtime, higher duties allowance, leave loading and other allowances.

Salary Packaging Agreement: The agreement entered into between an employee and the University in which an employee directs the University to pay for certain benefits on the employee's behalf.

SASS: State Authorities Superannuation Scheme.

SSS: State Superannuation Scheme (formerly known as the State Superannuation Fund).

Take home pay: The gross salary less tax and other deductions paid by the University to an employee each fortnightly pay period.

UniSuper: This superannuation fund is the product of the merger of the SSAU and TESS schemes on 1 October 2000. UniSuper incorporates the Defined Benefit Plan and Accumulation Super.

PART 2 - PRINCIPLES OF SCHEME

5. ELIGIBILITY TO PARTICIPATE IN SCHEME

5.1 Participation in the Scheme is **voluntary**. All employees of the University are eligible to participate in the Scheme, except for the following categories of employees:

- (i) casual employees (except for superannuation purposes when agreed to by the University); and
- (ii) those employees employed on a fixed-term appointment for a duration of less than twelve months.

5.2 As a precondition to participation in the Scheme, an employee will be required to certify that he or she has sought or had the opportunity to seek independent financial advice in regard to the benefits (or otherwise) of entering a salary packaging agreement.

5.2 There are a variety of complex financial considerations involved in choosing whether to participate in the Scheme and the University recommends that an employee who chooses to participate in the Scheme plans their budget well in advance. An employee shall not normally be allowed to package a sum greater than 50% of their gross fortnightly salary unless their terms and conditions of employment are covered by an Australian Workplace Agreement (AWA), in which case they shall be allowed to package a sum of up to 100% of their gross fortnightly salary.

5.3 Charles Sturt University strongly suggests that employees seek independent advice from an independent, licensed financial advisor before proceeding with any salary packaging arrangements.

5.4 **When an item is salary packaged it cannot be claimed as a tax deduction.**

6. **HOW SALARY PACKAGING WORKS**

6.1 The ATO <http://www.ato.gov.au/super/content.asp?doc=/content/38172.htm> states that under an effective salary packaging arrangement:

- (i) the employee pays income tax on reduced salary;
- (ii) the employer may be liable for FBT on the fringe benefits provided;
- (iii) salary packaged superannuation contributions are classified as employer superannuation contributions (not employee contributions) and are taxed in the superannuation fund under tax laws dealing specifically with the subject; and
- (iv) it is an arrangement between the employer and the employee detailing the amount of salary to be packaged, and must be entered into before the employee becomes entitled to be paid. Employees cannot salary package any item prior to the actual commencement date of their package.

6.2 Salary packaging allows an employee to receive part of his or her salary in a form other than take home pay. It involves an employer paying for certain benefits and expenses on an employee's behalf from their pre-tax salary, rather than the employee paying for them with their after-tax salary. The result is that the take home salary of a participating employee is reduced and hence his or her PAYG tax liability may be reduced.

6.3 Salary packaging may provide an employee with a higher after-tax net benefit by providing for a combination of salary and non-salary benefits. However, the savings achieved depend on an employee's personal financial circumstances and the benefit items included in the package.

6.4 Employees should note that the fortnightly taxation benefit that may be gained by packaging any item will exclude an employee from gaining the benefit of the full purchase amount as a tax deduction at the end of the financial year.

6.5 Employees should note that salary packaging arrangements are subject to applicable legislation, including the *Income Tax Assessment Acts 1936 and 1997*, *Fringe Benefits Tax Assessment Act 1986*, *Superannuation Contributions Tax (Assessment and Collection) Act 1997* and the *New Tax System (Family Assistance) Acts 1999*. Employees should also note that the legislative provisions regulating salary packaging arrangements are subject to change.

6.6 Salary packaged superannuation and reportable fringe benefits tax amounts are reported on an employees' payment summary. These amounts will be counted as assessable income for most government surcharges and income tests including:

- Child support obligations;
- Centrelink payments
- HELP and SFSS payments;
- Medicare levy surcharge
- Other tax offsets eg senior Australian tax offset, dependant tax offsets and pensioner tax offset
- Superannuation co-contribution

If an employee has any of these benefits/obligations it is recommended that they seek independent financial advice to ensure that they understand how salary

packaging will affect their individual circumstances. More information is available from the following organisations:

[Tax Office](#)

[Centrelink](#)

[Child support agency](#)

7. BENEFITS AVAILABLE TO BE PACKAGED

7.1 The benefits set out below at (i)-(vii) are available to be packaged under the Scheme:

- (i) payment of fees for child care at the CSU Children's Centre in Albury and Wagga and the Wagga Campus pre-school operated by the University;
- (ii) employee contributions to UniSuper, SASS and SSS;
- (iii) additional contributions to any complying superannuation scheme which is available to employees of the University pursuant to relevant legislation and for which the Trust Deeds of such schemes allow additional contributions to be made. The contributions must be able to be remitted to the fund in a manner which is consistent with the current remittance procedures used by CSU to process superannuation payments;
- (iv) an amount equal to the fortnightly deduction made from an employee's salary to repay the total cost incurred in purchasing the University's corporate uniform;
- (v) motor vehicles under a novated lease agreement;
- (vi) self-education expenses that qualify as FBT exempt;
- (vii) memberships to professional associations; and
- (viii) in-house benefits
- (ix) financial advice from a licensed, registered financial advisor

7.2 The Vice-Chancellor (or nominee) may approve the extension of the range of available benefits.

8. CHILD CARE FEES

8.1 An employee may package those child care fees incurred at the CSU Children's Centres located at the Albury and Wagga Wagga campuses and the Pre-School located at the Wagga Wagga campus. The packaging of child care fees incurred at these centres is FBT exempt.

- 8.2 Employees should note that the packaging of childcare fees does affect an employee's entitlement to a child care benefit. Staff are urged to seek financial advice and read the fact sheet - [ImpactSalarySacrificing.pdf](#)
- 8.3 An application by an employee who chooses to package child care fees shall only proceed after enrolment of the employee's child (or children) has been accepted.
- 8.4 Only childcare fees may be packaged. An employee shall be responsible for the direct payment of all other costs associated with childcare.
- 8.5 The minimum fortnightly deduction amount shall be no less than the charge for one full day. Any excess payments made under these arrangements shall be reprocessed through the University's payroll and taxed accordingly. Direct refunds shall not be available through the Children's Centre or Pre-School.

9. SUPERANNUATION

- 9.1 All employees of the University who are eligible to participate in this Scheme are a member of one of the following superannuation funds:
- (i) UniSuper;
 - (ii) the State Superannuation Scheme ("SSS"); or
 - (iii) the State Authorities Superannuation Scheme ("SASS").
- 9.2 Arrangements regarding the packaging of superannuation will vary in accordance with the superannuation fund of which an employee is a member. These arrangements are set out below at subclauses 9.5 and 9.6 of these guidelines.
- 9.3 Employees should note that due to preservation requirements all employee contributions made to a superannuation fund, including salary packaged contributions, since 1 July 1999, are fully preserved until the applicable preservation age.
- 9.4 An employee who elects to package superannuation contributions shall complete the relevant form which is available on the [salary packaging website](#).
- 9.5 **Members of UniSuper**
- 9.5.1 Employees who are members of UniSuper may choose to package their employee superannuation contributions and, in addition, elect to package voluntary superannuation contributions.
- 9.5.2 UniSuper members have the option to convert their existing employee contributions to pre-tax member contributions. The converted contributions are then considered to be University sponsored benefits and a participating employee's PAYG liability is reduced accordingly.
- 9.5.3 Whilst salary package contributions to UniSuper are FBT exempt, they are considered to be employer sponsored benefits and as such, attract a 15% contributions tax. To compensate for the contributions tax and to maintain an employee's compulsory superannuation contribution at the correct rate, the pre-tax rate will include an extra 15% to allow for the contributions tax.

For example the standard rate of 7% will become 8.25% when deducted from pre-tax salary.

9.5.4 Unisuper members who have elected to reduce their contributions by utilising Unisuper's contribution flexibility arrangements can also have these amounts deducted pre-tax. The rate deducted from pre-tax salary will be increased by 15% to allow for the contributions tax. For further information on contribution flexibility please refer to Unisuper's website.

http://www.unisuper.com.au/superannuation/cont_flexibility.cfm

9.5.5 Where an employee elects to package voluntary superannuation contributions in excess of their compulsory contribution, such deductions shall also attract a 15% contributions tax.

9.5.6 Whilst UniSuper does not levy an administration fee for packaged compulsory superannuation contributions, a general administration fee applies to an employee's superannuation account. This fee is administered by UniSuper and payment of this fee is the responsibility of the employee.

9.6 **Members of SSS and SASS**

9.6.1 Employees who are members of the State Superannuation Schemes (SASS and SSS) are eligible to salary package their compulsory employee superannuation contributions.

9.6.2 Whilst salary package contributions to SASS and SSS are FBT exempt, they are considered to be employer sponsored benefits and as such, attract a 15% contributions tax. To compensate for the contributions tax and to maintain an employee's compulsory superannuation contribution at the correct rate, the pre-tax rate will include an extra 15% to allow for the contributions tax. For example the rate of 9% will become 10.58% when deducted from pre-tax salary.

9.6.3 An employee who is a member of either SSS or SASS may elect to make and to package voluntary contributions to a complying superannuation fund. Such contributions shall be in addition to an employee's compulsory contribution to the state superannuation scheme of which he or she is a member. SASS and SSS cannot accept additional contributions above a member's compulsory contribution rate.

9.6.4 An employee who chooses to package voluntary contributions to a complying superannuation fund shall be responsible for maintaining their compulsory employee contribution to the state fund of which he or she is a member, at the appropriate rate.

9.7 **Taxation of Superannuation**

9.7.1 Superannuation contributions paid under salary packaging arrangements are treated differently for taxation purposes to those deducted after PAYG tax. Any liability incurred under such taxation arrangements shall be the responsibility of the employee.

9.7.2 Employees are urged to obtain financial advice regarding contribution caps which are applicable to employer and employee salary sacrificed superannuation contributions. More information about contribution caps can

be obtained from your superannuation fund or from the ATO at the following link: [ATO contributions caps](#)

- 9.7.3 Further information regarding the taxation of superannuation can be obtained from the relevant superannuation fund.

10. CORPORATE UNIFORM

- 10.1 An employee may package the purchase cost of the University's corporate uniform.
- 10.2 The amount packaged shall be equal to the fortnightly deduction made from an employee's salary to repay the total cost incurred in purchasing the corporate uniform. Information about the corporate uniform is available at the following link: <http://www.csu.edu.au/division/finserv/staff/uniform.htm>

11. MOTOR VEHICLES

- 11.1 An employee may apply to salary package the fortnightly lease payment for a motor vehicle under a budgeted fully maintained novated lease agreement.
- 11.2 A budgeted fully maintained novated lease is a three way agreement between an employee, the University and the nominated financier of a motor vehicle. A budgeted fully maintained novated lease operates to the effect that the University pays, on the employee's behalf, the fortnightly lease payment to the financier. The amount of the payment is deducted from the employee's pre-tax salary.
- 11.3 Vehicles are for 100% private use. Inter campus travel is permitted within the guidelines of the CSU travel policy.
- 11.4 Where an employee ceases his or her employment with the University, the employee remains responsible to the nominated financier for all payments that are outstanding under the novated budgeted fully maintained lease.
- 11.5 Where an employee proceeds on a period of Leave Without Pay they must contact the Remuneration Office to organise an alternative method of paying the fortnightly lease deductions during the period of leave.
- 11.6 Where an employee directs the University to cease salary packaging the fortnightly lease payment for a motor vehicle, the employee remains responsible to the nominated financier for all payments that are outstanding under the novated budgeted fully maintained lease.
- 11.7 Employees should note that the total cost of salary packaging a motor vehicle is not to exceed the luxury tax threshold as determined by the ATO.
- 11.8 Further details in regard to the salary packaging of a motor vehicle under the provisions of these *Guidelines* are available from the University's motor vehicle financier at the following web address: <http://www.fleetpartners.com.au/novated-lease.aspx>

12. SELF – EDUCATION EXPENSES

- 12.1 An employee may salary package the course fees involved in work related self-education that qualify as FBT exempt. To qualify as FBT exempt, the following requirements apply:
- (i) At the time the expense is incurred, there is a direct connection between the self-education and an employee's current work activities that enables the employee to maintain or improve the skill(s) or specific knowledge upon which the employee's income earning activities are based; or
 - (ii) That there is a direct connection between the self-education and an employee's current work activities because it can be shown that the employee's study leads to, or is likely to lead to, increased income from the employee's current work activities.
- 12.2 Self-education costs incurred in study undertaken to gain a new job, or to open up a new income earning activity, or related to a particular profession, occupation or field of employment in which an employee is not currently working cannot be packaged as self education expenses.
- 12.3 Payments to the Higher Education Contribution Scheme (HECS) are not FBT exempt and cannot form part of a salary packaging agreement.

13. PROFESSIONAL MEMBERSHIPS

- 13.1 Employees may salary package the cost of annual membership, excluding subscriptions, to an FBT exempt work related professional association.
- 13.2 To qualify as FBT exempt, the annual membership must be of a professional association that is relevant and incidental to the employee's profession, occupation or field of employment.
- 13.3 An employee is required to provide to the University original documentation that evidences payment of the annual membership and complete the relevant form.

14. IN HOUSE BENEFITS

- 14.1 Employees may salary package the cost of in-house benefits up to \$1000 per Fringe Benefits Tax year.
- 14.2 In House Benefits are generally items identical or similar to those provided to the public in the normal course of University business.
- 14.3 Items that are eligible to be salary packaged as in-house benefits include:
- (i) wine and cheese from the CSU winery;
 - (ii) transport services;
 - (iii) private function catering services;
 - (iv) private printery services;
 - (v) purchases from CSU establishments such as the mini-mart and staff club.

- (vi) CSU courses that are not work related, e.g. short courses
- (vii) Services provided by the CSU veterinary clinical centre

Items that are not provided by CSU such as telephone recharge cards and services provided by Australia Post are not eligible to be salary packaged as an in-house benefit.

- 14.4. An employee is to provide to the University original receipts which show payment of the in-house benefit.

15. FINANCIAL ADVICE

- 15.1 Employees may salary package the cost of financial advice which is incurred in gaining or producing an assessable income.
- 15.2 To be eligible to be salary packaged, the advice must be provided by a registered tax agent. A list of registered tax agents is available at the following link:
<http://www.tabd.gov.au/list/default.asp>
- 15.3 An employee is required to provide the University with an original paid tax invoice which clearly specifies the advice provided by the tax agent.
- 15.4 The expense must be in the staff members name and be incurred in the current Financial Year.

16. EFFECT OF VOLUNTARY SALARY PACKAGING ON EMPLOYEE ENTITLEMENTS

- 16.1 Existing employee entitlements such as paid sick leave, annual leave, long service leave, maternity and adoption leave, annual leave loading and any other applicable allowances, will not be affected by salary packaging.
- 16.2 All forms of paid leave, overtime, compulsory superannuation contributions, and employer superannuation contributions will continue to be calculated on an employee's ordinary rate of salary.
- 16.3 The University shall maintain its employer superannuation contributions and arrangements.
- 16.4 An employee who takes unpaid or reduced paid leave from the University shall be responsible for maintaining, adjusting or terminating their voluntary salary packaging arrangements.
- 16.5 An employee shall be responsible for the maintenance of his or her compulsory superannuation contributions at the appropriate rate.
- 16.6 Leave Without Pay (LWOP)

When proceeding on LWOP an employee must contact the Remuneration Office to discuss their options regarding their salary package whilst on unpaid leave. In most cases the packaging arrangement will be ceased during the period of LWOP.

Arrangements for novated lease payments are particularly significant during periods of unpaid leave. The University maintains these payments to the lease provider during the period of LWOP and will seek to recover these costs from the employee. If the employee does not make alternative arrangements to cover their novated lease payments during the period of leave without pay, the University will terminate the agreement with the Fleet Provider. Employees will be liable for all costs and penalties associated with the termination.

Employees may re-enter into a salary packaging arrangement once they have returned to work at full pay and the University accepts a new salary packaging arrangement.

PART 3 - ADMINISTRATION OF SCHEME

17. APPLICATION TO PARTICIPATE IN SCHEME

- 17.1 To facilitate participation in the Scheme, an employee shall be required to:
- (i) certify that he or she has sought or had the opportunity to seek independent financial advice in regard to the benefits (or otherwise) of entering a salary packaging agreement; and
 - (ii) complete and sign appropriate documentation directing and authorising the University to make payment of packaged benefits and expenses on their behalf.
- 17.2 An employee will forward all completed original documentation to the Remuneration Office in the Division of Finance at the Wagga Wagga Campus. An employee's Salary Packaging Agreement will not take effect until all relevant documentation has been appropriately completed.
- 17.3 An employee's Salary Packaging Agreement shall take effect from the first full pay period commencing after the date of receipt by the Remuneration Office in the Division of Finance of all completed documentation and shall not be retrospective.

18. METHOD OF PAYMENT

- 18.1 At the direction of a participating employee, the University shall deduct salary packaged benefits and expenses from their gross fortnightly salary. Such deductions shall be remitted directly to the nominated recipient/s.
- 18.2 The University shall receipt payment of packaged childcare fees to the appropriate child care facility each payday.

19. ADMINISTRATION FEE

- 19.1 The University reserves the right to introduce the charging of a fee to administer an employee's Salary Packaging Agreement. Any such fees would be separate from those payable by an employee under these guidelines.

20. TERMINATION OR CHANGE OF SALARY PACKAGING AGREEMENT

- 20.1 An employee may direct the University to terminate or change their Salary Packaging Agreement. In doing so, an employee shall provide the University with a minimum of two (2) weeks written notice.
- 20.2 Termination or change of an employee's Salary Packaging Agreement shall take effect from the first full pay period commencing after the date of receipt by the Remuneration Officer of an employee's authorisation to terminate or change their salary packaging agreement.
- 20.3 Employees who have salary packaged the fortnightly lease payment for a motor vehicle should note that irrespective of a direction to the University to terminate the salary packaging of the fortnightly lease payment, the employee remains responsible to the nominated financier for all payments that are outstanding under the novated budgeted fully maintained lease.

21. REPORTING ARRANGEMENTS

- 21.1 The following reporting arrangements apply to this Scheme:
- (i) From the commencement of an employee's Salary Packaging Agreement, packaged deductions shall be detailed on the employee's payslip.
 - (ii) The payslip will identify those deductions that reduce the employee's PAYG taxable salary
- 21.2 In the case of packaged superannuation contributions, the University shall forward a remittance advice to the applicable superannuation fund, and such payments will be reflected on the member statement issued by the superannuation fund.
- 21.3 Fringe Benefits Tax and reportable superannuation contributions will be reported on the PAYG Payment summary.

ATTACHMENT A

STEPS FOR AN EMPLOYEE WHO WISHES TO PARTICIPATE IN THE VOLUNTARY SALARY PACKAGING SCHEME

Read these Guidelines carefully and obtain a copy of the applicable form:

<http://www.csu.edu.au/division/finserv/staff/remuneration/forms.htm>



The University strongly recommends that you arrange to meet with a qualified independent financial consultant of your own choice. Provide your financial consultant with a copy of these guidelines and accompanying forms, and seek their advice on the potential financial benefits (or disadvantages) of your participation in the scheme and determine whether you wish to participate in the scheme.



If you choose to participate in the scheme, you are to determine the items and amounts that you wish to package under the scheme and to complete the *Salary Packaging Agreements Form*.



Forward the completed *Salary Packaging Form* to the Remuneration Office, Division of Finance.



On obtaining the completed forms, the Remuneration Office will set up your package from the next available pay period.

CONTACT THE REMUNERATION OFFICE, DIVISION OF FINANCE, WAGGA WAGGA CAMPUS, EXT 32267/32132/32308, IF YOU NEED ASSISTANCE OR INFORMATION IN REGARD TO THE STEPS OUTLINED ABOVE

ATTACHMENT B

FREQUENTLY ASKED QUESTIONS

Is salary packaging of benefit to all employees?

No. Salary packaging may be of benefit to some employees but not others. The benefits of salary packaging are dependent on an individual employee's particular financial circumstances. For example, an employee may need to consider whether a reduction in his or her PAYG tax liability is of greater benefit to them than a reduced entitlement to child care benefit.

All employees are urged to seek independent financial advice from an appropriately qualified financial adviser prior to participating in the Scheme. The Remuneration Office is not qualified to provide employees with financial advice.

How often can I change my Salary Package?

Once a salary package has commenced it will operate on a yearly basis from the date of the anniversary on which the salary package commenced. The salary package will continue indefinitely from year to year, subject to your written direction to the University to terminate or change the package. You may terminate or change your package by giving the University two weeks' written notice.

Why would the packaging of childcare fees affect my entitlement to child care benefit?

Child care benefit is not payable for child care fees that have been paid or reimbursed by an employer. Packaged childcare fees are considered to have been paid by the employer.

Does the University charge a fee for the administration of my salary package?

No. However the University reserves the right to introduce the charging of a fee to administer an employee's Salary Packaging Agreement. Any such fees would be separate from those payable by an employee under other provisions of the Voluntary Salary Packaging Guidelines.

Why should I seek independent financial advice from a qualified financial adviser?

There are a variety of complex financial and legal considerations involved in choosing whether to participate in salary packaging. A qualified financial adviser can assist you to determine whether salary packaging can be of assistance to you in meeting your existing financial commitments as well as future financial goals.

Who pays for the advice that I receive from a qualified financial adviser?

All costs incurred by you to obtain financial advice from an independent qualified financial adviser are to be met by you. However you may salary package financial advice which relates to gaining or producing an assessable income.

What happens to my salary package if my employment with the University ceases?

Your entitlement to receive benefits will automatically cease and your package will expire on your last day of employment with the University. Your package will be reconciled and all outstanding payments and fees will be deducted from your final salary payment. Accrued entitlements such as annual leave and long service leave are not able to be used for salary packaging.

Why can't I package accrued leave entitlements?

In accordance with taxation law, salary packaging must be from prospective earnings. It can not relate to retrospective earnings, which includes accrued leave entitlements.

Why can't I package voluntary contributions to the state super funds?

These funds are actually closed. Existing members are not permitted to change the status of their membership.

What happens to my existing entitlements?

All of your existing entitlements (eg; superannuation, leave loading, overtime) are calculated on your gross pre-package salary.

What will be shown on my payslip?

Salary packaging items will be shown as separate deductions (and reimbursement if the expense has been paid for up front) on your payslip. This will allow you to see those items and the amounts that are reducing your taxable salary.

Who should I contact to obtain further information on the scheme?

The Remuneration Officer in the Division of Finance Services at the Wagga Wagga Campus on ext 32267, 32132 or 32308.