
MEALS AND REFRESHMENTS – LOCAL FUNDS

Purpose:

To establish policy for providing meals or refreshments for employees, students, donors or guests using local funds.

Additional Reference:

I.R.C. § 162 and Idaho State Board of Education, Governing Policies and Procedures, Section V. U.

Scope:

Applies to all purchases of meals and refreshments using local funds.

Responsible Party:

Vice President for Finance and Administration, 426-1200

Definitions:

Alcoholic beverages – beer, wine or any beverage containing distilled spirits.

Conference – for purposes of this policy, a conference must bring together participants from various locations, may charge a registration fee, and must have a published agenda.

Guests – a person who renders a service to the University or to whom the university wishes to extend goodwill and who is present at a university business meeting, entertainment event or other activity at the invitation of a university employee authorized to host the event. Typically guests are students, visiting speakers, employees of outside state agencies or satellite campuses, or other individuals not employed by Boise State University.

Local funds – funds generated through fees, sales, and/or services. These include but are not limited to student activities fee revenue, revenue from the sale of tickets to events, and revenue for charges of services performed.

Meal – a catered or restaurant provided breakfast, lunch, or dinner for which employees, students, or other individuals are present for the purpose of conducting substantial and bona fide University business.

Programmatic activities – student activities including student orientation programs, student government, club or organization meetings, or similar student-centered functions that serve a university business purpose.

Refreshments – coffee and other beverages, snacks, hors d’oeuvres, pastries, cookies, crackers, chips, fruit, etc.

POLICY

I. Policy Statement

Boise State University recognizes the importance of conducting business meetings, outreach and community events intended to further the university’s mission. However, employees must be cognizant of budget constraints and appearances when spending university funds on meals and refreshments for these events and ensure that all purchases are necessary to meet the mission and objectives of the university.

II. Meal and Refreshment Expenses

A. Allowable Expenditures and Events

Meals or refreshments may be provided to employees, students, donors or guests attending university events including career fairs, conferences, student recognition or outreach events, programmatic activities, employee recruitment functions, retreats, retirement receptions or other events with a documented business purpose which are intended to further the university’s mission.

B. Limitations

1. Meetings between Employees: Meals or refreshments purchased for meetings between Boise State University employees are not reimbursable unless pre-authorized by a Dean or VP. Pre-authorization should only be granted when there is a compelling reason for the university to bear the meal expenses of its employees.
 - a) The pre-authorization requirement does not apply to business related group functions including employee trainings, workshops, or conferences which are typically held in a university setting.
2. Spouse/Partner of Guest or Host: The cost of a meal or refreshments provided to the spouse or partner of a guest or host of an event may be reimbursed, provided the expenditure serves a bona fide business purpose.

When a spouse or partner attends a university function, the individual's presence is considered to serve a business purpose if he or she has a significant role in the event or makes an important contribution to the success of the event. Official functions to which spouses or partners are invited as a matter of protocol or tradition, including ceremonial functions, fundraising events, alumni gatherings, and community events, are examples of activities at which the presence of a spouse or partner may serve a bona fide business purpose.

If a spouse or partner has no significant role in the event or performs only incidental duties of a social or clerical nature, his or her attendance does not constitute a bona fide business purpose. Such expenses are not reimbursable.

The reimbursement request should include documentation (e.g., an event or meeting agenda, or a letter of invitation requesting that spouses or partners attend the event) to show that the attendance of the spouse or partner served a bona fide business purpose.

3. Authorized Vendors: Payment for meals or refreshments is only authorized when provided by the university's food service provider or a caterer, restaurant or store in the business of providing prepared food to the general public.
4. University Food Service Provider: For events held on campus, meals or refreshments must be ordered from the university's food service provider, unless one of the following exceptions applies:
 - a) Meals or refreshments not exceeding \$50.00 are purchased for consumption during an event, provided that the building in which the event is held allows outside food to be brought in.
 - b) The University's food service contractor declines or is unable to provide requested food service. These exceptions must be approved in writing by the food service contractor.
5. Maximum Rates for Refreshments: Payment or reimbursement for refreshments is limited to actual cost, not to exceed the maximum allowable meal rate for breakfast, pursuant to Appendix A.

6. Maximum Expenditures for Meals: Payment or reimbursement for meals is limited to actual cost, not to exceed the maximum allowable meal rate pursuant to Appendix A.
7. Limitations on Local Funds used for Cost Share Matching: When local funds are used for cost share matching, Meals and Refreshments - Appropriated and Grant Funds policy rates apply.
8. Limitations on Expenditures for Certain Functions: The University will not pay for meals or refreshments for regularly scheduled staff meetings, planning meetings, employee birthdays, weddings, holidays, going away parties or other celebrations with the exception of length of service or retirement receptions for employees with at least five years of university service.
9. Limitations on Alcohol Expenditures: Alcoholic beverages may not be procured with local funds (see Public Relations and Alcohol policy). Under no circumstances may alcohol be served at a student organization or club event.

C. Meal and Refreshment Expenses Incurred on Travel Status

Maximum Allowable Rates: Local meal and refreshment rates do not supersede travel per diem rates unless an employee on travel status conducts a business meeting with a non-employee outside of his/her home station. In such a case, this policy's maximum rates only apply to the meal or refreshment expenditures incurred during that meeting. Standard travel per diem rates apply to any meals or refreshments consumed the rest of the day.

D. Source of Funds

1. Source of funds for meals or refreshments for qualifying events is local funds, subject to the following exceptions:
 - a) Meal or refreshment expenses cannot be charged to student fee accounts, scholarship accounts, or other local accounts excluded by the Vice President for Finance and Administration.

- b) Exceptions to the use of excluded accounts must be approved in writing by the VP who controls the excluded account.

III. Payment or Reimbursement of Employee Meal or Refreshment Expenses

A. In addition to the requirements above and in accordance with IRS regulations, the University will pay or reimburse an employee's meal or refreshment expenses only when the expenses are directly related to or associated with the employee's job.

1. A meal or entertainment expense is directly related to an employee's job if the following four conditions are met:

- a) The employee has more than a general expectation of deriving income or a specific business benefit from the meal or entertainment;
- b) The employee in fact engaged in business discussions during the meal or entertainment;
- c) The principle nature of the expense was the active conduct of university business; and
- d) The expense was for the host and his or her official guests.

2. A meal or entertainment expense is associated with an employee's job if there is a clear business purpose for making the expenditure and if the expense is incurred directly before or after a substantial and bona fide business-related discussion.

B. Expenditures that are lavish or extravagant under the circumstances, are not substantiated with supporting documentation, or where the official host is not present at the event do not qualify for payment or reimbursement.

IV. Procedures

A. Meal or refreshment purchases may be paid by p-card, in accordance with the P-Card policy, by direct bill, or with personal funds.

1. Complete a [Meals and Refreshments Form](#) and attach the appropriate backup documentation, including original receipts.

2. Meal or refreshment expenses incurred during meetings between university employees must be pre-authorized by a Dean or VP. A pre-authorization signature (predating the event) or other proof of pre-authorization (e.g., an email approval) must be attached to the [Meals and Refreshments Form](#).
 - a) If purchases were paid with a p-card, attach the form and documentation to your p-card reconciliation form and file as appropriate.
 - b) If the expense was incurred while on travel status, attach the form to the T590 and submit with your travel reimbursement claim.
 - c) Forms claiming personal reimbursement should be submitted to Accounts Payable for processing.
 - d) If the vendor is to be paid directly, attach the original vendor invoice to a completed [Meals and Refreshments Form](#) and submit to Accounts Payable for processing.

APPENDIX A: MEALS AND REFRESHMENTS – LOCAL FUNDS

	Maximum Allowable Per Person Meal Expense Chargeable to Local Accounts (150% of Federal Rate for Idaho)
Breakfast	\$13.50
Lunch	19.50
Dinner	36.00
Total	69.00

Payment or reimbursement for a buffet meal cannot exceed the applicable meal rate associated with the type of buffet, i.e., breakfast, lunch, or dinner. Reimbursement for a brunch may be made using the lunch rate.

The maximum per-person expenditures listed above include the cost of the food and non-alcoholic beverages, labor, sales tax, delivery charges, and other service fees. If a reception before a meal includes beverages and hors d'oeuvres, the combined charges for the reception and the meal should be treated as a single event for purposes of calculating per person costs.

The costs of room rental, room setup fees, media rental, and decorations, etc., are not included in the per-person costs unless those costs cannot be separated by the vendor.