

Policy #: 305.0
Original Date: December 14, 2018
Last Reviewed: September 8, 2023

TITLE: HOSPITALITY POLICY

PURPOSE

This policy governs the appropriate use of University Enterprises Corporation at CSUSB (UEC) funds for hospitality expenses. Hospitality is defined to include the following elements: entertainment services, food and beverages/refreshments, awards, prizes, and promotional items.

STATEMENT

It is the policy of UEC that hospitality expenses may be paid to the extent that such expenses are necessary, appropriate to the occasion, reasonable in amount and serve a purpose consistent with the mission and fiduciary responsibilities of California State University San Bernardino (CSUSB) and/or UEC.

UEC will follow integrated CSU Administrative Manual policy number 1301.00 - Hospitality, dated June 27, 2023 <https://calstate.policystat.com/policy/13790907/latest>. This policy provides definitions, purposes, and types of allowable hospitality expenses.

MAXIMUM RATES FOR HOSPITALITY

The Executive Director will set the limits each calendar year for hospitality expenses, per a memo that is distributed to campus. If these limits are exceeded in the course of conducting business on behalf of CSUSB and/or University Enterprises Corporation, the Executive Director for UEC may waive the limits with justification from purchaser.

See Appendix A for the maximum rates for hospitality for FY 2023/24.

GUIDELINES & PROCEDURE FOR SPONSORED PROGRAMS

Hospitality expenses are normally not allowable on a sponsored project. To ensure compliance with all aspects of federal regulations governing federal grants and contracts, UEC will adhere to the Office of Management and Budget circular 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards - Subpart E – Cost Principles*. It is referred to as the Uniform Guidance or “UG”.

1. Guidelines for Sponsored Programs:
 - a. Hospitality expenses may be allowable if they meet the following conditions:
 - i. Funding agency specifically allows for the cost in their approved budget
 - ii. The proposal narrative addresses these activities as an integral part to the sponsored project
 - iii. Activity includes program participants and/or off campus personnel
 - iv. Primary purpose is the dissemination of technical information conducted in a business atmosphere
 - v. If the expense consists of meal/refreshments – they are being served to maintain the continuity of the meeting
 - vi. Expenses are reasonable for the function (*See Appendix A for maximum rates for meals*)
 - b. Examples of hospitality expenses not allowable to charge to sponsored project funds:
 - i. Taking staff to lunch for birthday or other holiday
 - ii. Providing refreshments/food for department staff meeting
 - iii. Evening dinner for an event that ended that day
 - iv. Dissemination of information to only on-campus staff/faculty
 - v. Purchase of alcohol
2. Procedure for Sponsored Programs:
 - a. Reimbursement for allowable hospitality expenses must be approved by either the respective Principal Investigator or their designee, Department Chair, or Dean.
 - b. A Disbursement Check Request is prepared and forwarded to Sponsored Programs Administration for review and approval:
 - i. Requests must include all pertinent receipts or invoice
 - ii. Requests must state the purpose of the expense and include a list of attendees
 - iii. A description of how the expense fits in with the goals and objectives of the sponsored project
 - iv. Request must include a meeting agenda
 - c. Sponsored Programs staff will submit the approved request to campus Accounts Payable
 - d. Campus Accounts Payable department will process the Disbursement Check Request and issue payment.

PROCEDURE FOR ALL OTHER UEC EMPLOYEES & ACTIVITIES

1. Hospitality expense reimbursement with no alcohol involvement:
 - a. Reimbursement for hospitality expenses must be approved by the UEC Executive Director, respective account holder, or center director.
 - b. Meals provided to UEC employees should utilize Coyote Dining services.
 - c. A Disbursement Check Request should be completed and forwarded to campus Accounts Payable for processing:
 - i. Request must include all pertinent receipts or invoice
 - ii. Request must state the purpose of the expense and include a list of Attendees
 - d. Campus Accounts department personnel will process the Disbursement Check Request and issue payment.

2. Hospitality expense reimbursement with alcohol involvement:
 - a. Employees who are planning to incur hospitality expenses that might include alcohol must submit an expense estimate **to the UEC Executive Director for advance approval**. If the UEC Executive Director is unavailable, the campus VP for Administration & Finance will have signature authority.
 - b. The expense estimate should include the purpose of the expenditure. Submission can be accomplished by email or memorandum.
 - c. After the expense has been incurred, a Disbursement Check Request should be completed and forwarded to campus Accounts Payable for processing:
 - i. Request must include the advance approval
 - ii. Request must include all pertinent receipts or invoice
 - iii. Request must state the purpose of the expense and include a list of Attendees
 - d. Campus Accounts Payable department will process the Disbursement Check Request and issue payment.

Approval:

Approved by the UEC Board of Directors on September 8, 2023.

**APPENDIX A
MAXIMUM RATES FOR HOSPITALITY**

The maximum per person rate for all hospitality events shall not exceed the following amounts for FY 2023/24:

<u>Meal</u>	<u>Maximum Rates *</u>
Breakfast	\$30.00
Lunch	\$40.00
Dinner	\$75.00
Light Refreshment	\$20.00
Hors d' oeuvres	\$30.00
(Hot or cold appetizers, in lieu of dinner meal service)	

*Footnotes:

1. The reimbursement for a buffet reception cannot exceed the applicable meal allowance associated with the type of buffet (*e.g. breakfast, lunch, or dinner*)
2. These amounts include food, beverages, tax and service (*e.g. tips*)