

Policy #: 305.0  
Original Date: December 14, 2018  
*Next Review:*

---

**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 September 14, 2018. <https://csyou.calstate.edu/policies/icsuam/pages/1301-00.aspx>. 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 2018/19.

## **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

**APPENDIX A**  
**MAXIMUM RATES FOR HOSPITALITY**

The maximum per person rate for all hospitality events shall not exceed the following amounts for FY 2018/19:

<b><u>Meal</u></b>	<b><u>Maximum Rates *</u></b>
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*)