

**TARLETON STATE UNIVERSITY**  
**Internal Guidelines – Use of Institutional Funds for Expenses Associated with**  
**Official Occasions and Entertainment**

January 9, 2007

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Definitions

*Allowable Expenses:*

Expenses for entertainment must be deemed appropriate in the best judgment of the approving authority (department head, dean, vice president/executive director, and/or president), be cost effective, and serve a clear Tarleton State University business purpose.

*Entertainment:*

Food or beverage expenses incurred directly related to, or associated with, the conduct of official University business usually involving guests external to the University. Examples include meals, a buffet line, sandwich line, heavy hors d'oeuvres, or similar fare served in connection with a reception, luncheon, dinner, or conference.

*Institutional Funds:*

For purposes of this Administrative Policy and Guideline, Institutional Funds (sometimes referred to as “local funds”) are defined as non-state appropriated funds.

*Maximum Permitted Amounts:*

Maximum per person rates for entertainment expenses incurred are set forth in Appendix A. Reimbursements of expenses for entertainment cannot exceed the maximum per person rates specified in Appendix A without the prior written approval of the appropriate vice president/executive director, and in other regards, the university president.

The rates in Appendix A include all expenses normally connected with entertainment, including all food, refreshments, taxes, service charges, gratuities, decorations, supplies and entertainment, but do not include the rental of meeting or conference facilities. Service charges and gratuities will be limited to 20% of the total bill unless a higher mandatory amount is indicated by the vendor.

The maximum rates will be reviewed periodically by the Vice President for Finance and Administration and adjusted as appropriate.

*Official Occasions:*

A reception, luncheon, dinner, or similar event sponsored and funded by Tarleton State University. Examples include conferences, meetings, planning retreats, staff meetings, and other similar activities. These functions are normally associated with special programs or conferences, University guests, faculty and staff recruitment, or business meetings that span the lunch hour. Other examples include food purchased for employees working short lunch hours, staying close to campus for on-call duty (i.e., police, health services, etc.), and meals served to employees at work for the purpose of allowing employees to better perform their job duties.

Guidelines

- A. Entertainment Expenses should be related to one or more of the following purposes:
- recognition or promotion of academic achievement, athletic achievement, scholarship, and/or service to the institution;
  - promotion or communication of intellectual ideas and/or exchange of administrative and operational information on the institution's programs or activities;
  - support of institution-sponsored student events and activities;
  - recruitment of students, faculty, staff;
  - assistance to the Regents, accrediting agencies, officials from other institutions, etc.;
  - support of a program of continuing education.
- B. Reimbursements for Official Occasion and Entertainment Expenses
- Expenses incurred for official occasions and entertainment may be reimbursed according to the stated maximum rates. These expenses must be approved by the appropriate vice president/executive director. Those expenses incurred by the vice president/executive director must be approved for payment by the university president.
  - Entertainment Expenses allocable to employee family members are only allowable if a clear business purpose for the family member(s) can be identified.
  - Alcoholic beverages may be served at appropriate planned events and functions with the prior written approval of the President. Reimbursement for any alcohol purchase requires written approval by the President. All Requests to Purchase for food must contain an alcohol statement.

### C. Exclusions to this Policy

- The requirements of this policy statement exclude the following:
  - i. Purchases of food for use in academic laboratories;
  - ii. Purchases of food for resale;
  - iii. Purchases of food for consumption by animals;
  - iv. Meals associated with official employee/prospective employee travel reimbursed under Tarleton State University travel regulations;
  - v. Allowances for food for athletes, athletic recruits, and food purchases associated with game expenses paid by the Tarleton State University Athletic Department;
  - vi. Student travel on educational field trips when the students pay for the travel;
  - vii. Purchases of food from agency funds; and,
  - viii. Reimbursement to a non-employee in the course of providing professional services to the University.

### D. Oversight of Entertainment Expenses

Oversight of entertainment expenses is required at the senior administrative level (i.e., by vice presidents and deans). Authority may be delegated for approval of charges under \$100 to associate/assistant vice presidents, associate/assistant deans, or department heads.

Requests for payment or reimbursement must contain sufficient documentation to satisfy the Internal Revenue Service's five "W's": who, what, when, where, and why. This includes food purchases made by procurement card with documentation and the necessary administrative approvals attached to the procurement card log.

Delegates may not approve their own expenses. Vice presidents/executive directors will route their expenses to the university president for review and approval. Expenses incurred by the university president will be reviewed by the Vice President for Finance and Administration.

**APPENDIX A**  
**Maximum Rates for Entertainment Expenses from Institutional Funds**

The maximum per person rates for entertainment expenses incurred within Texas are as follows. All amounts shown below include taxes, service charges, and gratuities.

Breakfast	\$15.00
Lunch	\$20.00
Dinner*	\$45.00

The maximum per person rates for entertainment expenses incurred outside of Texas are as follows. All amounts shown below include taxes, service charges, and gratuities.

Breakfast	\$20.00
Lunch	\$27.00
Dinner*	\$60.00

These rates are subject to review and adjustment by the Vice President for Finance and Administration.

\*Dinner rates apply after 5:00 PM and include the cost of alcoholic beverages.