

Subject: Entertainment/Business Meal Policy	Authors: Kerry Schmidt, Robin Stewart
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ENTERTAINMENT

University entertainment is the arrangement of activities, events, or meals for the promotion and advancement of the university's mission. While the breadth of the university's mission may occasionally require entertainment needs, such expenditures must be reasonable and must be managed in a fiscally responsible manner.

Meals or events that are primarily social in nature (i.e. public relations, development, etc.) and have a UofL-related business purpose may be permitted. Examples of acceptable entertainment expenses include:

- Alumni events and receptions
- Faculty, staff, and student awards and appreciation events
- Receptions for visiting scholars, dignitaries, award winners, etc.
- Meals including University guests and other non-employees
- Donor and donor prospect meals and receptions
- Commencement-related events
- Recruitment of prospective faculty, staff, or students
- Catered events in celebration of University milestones.

Please note that this is not an all-inclusive list. If you have any questions regarding a potential entertainment expense, please contact the Controller's Office.

For more details on entertainment expenses and the documentation required, see [the Entertainment/Business Meals Policy Grid](#) at the end of this document.

****Entertainment expenses may not be reimbursed from federally sponsored programs.****

BUSINESS MEETINGS/MEALS

For a meeting to be considered "business related," the meeting must be planned with a defined, strategic business objective. A pre-meeting agenda is encouraged to establish expectations of the meeting. Whenever possible, meetings should be conducted outside of normal meal periods.

Meals or refreshments that are incidental to and a continuation of the business purpose of the meeting are considered business related and can be coded as Business Meals, 559000. Meals and other gatherings that have no business agenda (i.e. social in nature) are considered to be entertainment expenses and must be coded as Entertainment/Social Expenses, 566000.

Official departmental parties open to all employees are permitted. Non-allowable expenses include parties or meals for social functions such as employee birthdays, weddings, births, and other personal events.

For more details on business meals and the documentation required, see [the Entertainment/Business Meals Policy Grid](#) at the end of this document.

****Business meals and refreshments/alcohol are not allowable in support of federally sponsored programs unless they have been specifically approved by the funding agency.****

TIPPING

Gratuities for business meals are allowable; however, they must be reasonable and not exceed a threshold of 20%. Please be mindful of situations where gratuity is automatically included. Any additional gratuity should not exceed a total of 20%. (For example, if your bill is \$100 and an 18% tip is added by the merchant, any additional tipping should not exceed 2%, or \$2.00.) For large catering/delivery orders (pizza, sandwiches, box lunches, etc.), a 20% tip may be too generous. For example, if you order sandwiches from a nearby sub shop and the total cost is \$1500, a 20% tip, or \$300, would be excessive. A 5% tip, or \$75, would be more reasonable.

ALCOHOL

Alcohol may be purchased in conjunction with the entertainment activities sponsored by your department or unit (see [ENTERTAINMENT](#) section above for the list of approved events). Since alcohol may present risks, events at which it is available should be managed with common sense and due care. For a detailed listing of permissible funding sources, refer to the [Alcohol Beverage Purchases Policy](#).

**** Alcohol may not be charged to general funds, sponsored programs, or other restricted funding sources. ****

SPOUSE/CHILDREN EXPENSES

Spouse/children (including children under 18 years of age) meal and entertainment expenses shall be paid from discretionary funds only when authorized by specific policy or approval of the Department Head/Chair, or, in the case of the Dean or Vice President, expenses shall be approved by the Office of the President or Provost.

See the [University Travel & Entertainment Policy](#) for information relating to spouse travel.

NON-EMPLOYEE EXPENSES

Non-employee (guest speaker, recruit, donor, etc.) meal and entertainment expenses may be paid in conjunction with the approved entertainment and business meal criteria.

See the [University Travel & Entertainment Policy](#) for information relating to non-employee travel.

PAYMENT

The University's ProCard is the required method of payment for business meals, entertainment, and alcohol expenses. On a limited exception basis, if a ProCard is not available, an employee or student* may pay out-of-pocket and request reimbursement through the Controller's Office. (As a reminder, the ProCard cannot be used for an employee's meals while traveling unless the employee is entertaining guest or conducting a business meal.)

**If affiliated with a course curriculum or academic performance, the Financial Aid Office must be contacted before arrangements are made and/or the expense is incurred.*

DEFINING CRITERIA & REQUIRED DOCUMENTATION

Common Types of Entertainment Expenses	Defining Criteria	Documentation Required	Approval Required
Alumni or Donor Events	Events hosted to promote the University and seek support to fulfill the University's public mission.	<ul style="list-style-type: none"> • Location • Business purpose • Date • Names of participants or identification of the group attending and number of participants • Itemized receipt 	ProCard: <ul style="list-style-type: none"> • Card Approver Reimbursement**: <ul style="list-style-type: none"> • Employee's Supervisor • Authorized Signature for Funding Source
Receptions	A gathering of individuals associated with a University-sponsored event that provides the opportunity for interaction in a setting that is not purely social in nature. Unlike a business meeting, a reception may not have a specific agenda or time frame. Like a business meeting, the purpose must be related to or promote the mission of the hosting department.	<ul style="list-style-type: none"> • Location • Business purpose • Date • Names of participants or identification of the group attending and number of participants • Itemized receipt 	ProCard: <ul style="list-style-type: none"> • Card Approver Reimbursement**: <ul style="list-style-type: none"> • Employee's Supervisor • Authorized Signature for Funding Source
Faculty and staff awards, appreciation events	Hosted by the University to recognize certain individuals, specific departments, or the entire University community.	<ul style="list-style-type: none"> • Location • Business purpose • Date • Names of participants or identification of the group attending and number of participants • Itemized receipt 	ProCard: <ul style="list-style-type: none"> • Card Approver Reimbursement**: <ul style="list-style-type: none"> • Employee's Supervisor • Authorized Signature for Funding Source

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Common Types of Entertainment Expenses	Defining Criteria	Documentation Required	Approval Required
Recruitment Meal	Hosted by the University for the purpose of recruiting prospective faculty, staff, or students.	<ul style="list-style-type: none"> • Location • Business purpose/topic(s) discussed • Date • Names of participants • Itemized receipt 	ProCard: <ul style="list-style-type: none"> • Card Approver Reimbursement**: <ul style="list-style-type: none"> • Employee’s Supervisor • Authorized Signature for Funding Source
Commencement-related Activities	Activities for students, their families, and/or faculty and staff to honor graduating students.	<ul style="list-style-type: none"> • Location • Business purpose • Date • Names of participants or identification of the group attending and number of participants • Itemized receipt 	ProCard: <ul style="list-style-type: none"> • Card Approver Reimbursement**: <ul style="list-style-type: none"> • Employee’s Supervisor • Authorized Signature for Funding Source
Meals with Guest Speakers	Meal is served to group while attendees listen to speaker(s).	<ul style="list-style-type: none"> • Location • Business purpose/topic(s) discussed • Date • Name of the guest speaker and identification of the group addressed and number of participants • Itemized receipt 	ProCard: <ul style="list-style-type: none"> • Card Approver Reimbursement**: <ul style="list-style-type: none"> • Employee’s Supervisor • Authorized Signature for Funding Source
Student Function – Group	Group and general attendee function hosted by the University with a business purpose or to provide a supplemental educational experience. *If affiliated with a course curriculum or academic performance, the Financial Aid Office must be contacted before arrangements are made and/or the expense is incurred.	<ul style="list-style-type: none"> • Location • Educational purpose/topic(s) discussed • Date • Event announcement (i.e. flyer or email invitation) • Number of Participants • Itemized receipt 	ProCard: <ul style="list-style-type: none"> • Card Approver Reimbursement**: <ul style="list-style-type: none"> • Employee’s Supervisor • Authorized Signature for Funding Source *Written approval from the Financial Aid Office

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Common Types of Entertainment Expenses	Defining Criteria	Documentation Required	Approval Required
Student Function – Individual	<p>When acting in the capacity of an employee and there is a business purpose or to provide a supplemental educational experience.</p> <p>*If affiliated with a course curriculum or academic performance, the Financial Aid Office must be contacted before arrangements are made and/or the expense is incurred.</p>	<ul style="list-style-type: none"> • Location • Purpose/topic(s) discussed • Date • Itemized Receipt 	<p>ProCard:</p> <ul style="list-style-type: none"> • Card Approver <p>Reimbursement**:</p> <ul style="list-style-type: none"> • Employee’s Supervisor • Authorized Signature for Funding Source <p>*Written approval from the Financial Aid Office</p>
Training and/or working meals	<p>Employees are required to work during their meal periods. Food is generally brought into the workplace.</p>	<ul style="list-style-type: none"> • Location • Subject matter covered or type of training provided. • Date • Names of participants or department/division name if the whole department is involved. • Itemized receipt 	<p>ProCard:</p> <ul style="list-style-type: none"> • Card Approver <p>Reimbursement**:</p> <ul style="list-style-type: none"> • Employee’s Supervisor • Authorized Signature for Funding Source
Committee Meetings	<p>Working meeting of a committee.</p>	<ul style="list-style-type: none"> • Location • Business purpose/topic(s) discussed • Date • Names of participants. • Itemized receipt 	<p>ProCard:</p> <ul style="list-style-type: none"> • Card Approver <p>Reimbursement**:</p> <ul style="list-style-type: none"> • Employee’s Supervisor • Authorized Signature for Funding Source

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Common Types of Entertainment Expenses	Defining Criteria	Documentation Required	Approval Required
Staff Meetings or Food for Office Functions	At the discretion of the funding department, but must be infrequent in nature and relevant to the work of the department.	<ul style="list-style-type: none"> • Location • Business purpose/topic(s) discussed • Date • Names of participants or, if a meeting for the entire office, name of department and number of attendees. • Itemized receipt 	ProCard: <ul style="list-style-type: none"> • Card Approver Reimbursement**: <ul style="list-style-type: none"> • Employee's Supervisor • Authorized Signature for Funding Source

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