

PPM 201: Entertainment

Responsible Officer:	Business Operations Center Director
Responsible Office:	Business Operations Center (BOC)
Issuance Date:	09/08/2020
Effective Date:	09/08/2020
Last Review Date:	06/29/2022
Scope:	Hospitality in UC ANR

Contact:	Su-Lin Shum
Title:	Business Operations Center Director
Email:	sshum@ucanr.edu
Phone:	(530) 240-7147

TABLE OF CONTENTS

I. POLICY SUMMARY	2
II. DEFINITIONS	2
III. POLICY TEXT	2
IV. COMPLIANCE / RESPONSIBILITIES	2
V. PROCEDURES	4
VI. RELATED INFORMATION	6
VII. FREQUENTLY ASKED QUESTIONS.....	6
VIII. REVISION HISTORY	7

**Note: For links to referenced documents see
Section VI, *Related Information*, below.**

I. POLICY SUMMARY

- A. This section of the Policy and Procedure Manual (PPM) for the University of California (UC) Agriculture and Natural Resources (ANR) describes how UC policy on entertainment (Business and Finance Bulletin No. BUS-79, *Expenditures for Entertainment, Business Meetings and Other Occasions*) is implemented in the UC ANR environment.
- B. The information presented here is general, and cannot address all of the unique concerns that can arise regarding entertainment. *Before the employee incurs entertainment expenses*, they should direct questions regarding specific situations to the UC ANR Business Operations Center as noted on page 1 above.
- C. There are occasions on which judicious extension of hospitality is in UC ANR's best interest. It is essential that the expenditure of UC funds for entertainment be prudent, in keeping with accepted standards of the educational community, and compatible with UC's status as a tax-supported institution. This PPM section governs the manner and extent to which UC ANR may make expenditures for entertainment.

II. DEFINITIONS

Not used – refer to Business and Finance Bulletin No. BUS 79, *Expenditures for Entertainment, Business Meetings and Other Occasions*.

III. POLICY TEXT

UC ANR will comply with all UC policies regarding entertainment, e.g., Business and Finance Bulletin No. BUS 79, *Expenditures for Entertainment, Business Meetings and Other Occasions*. As described in BUS 79, expenses for entertainment and hospitality must be directly related to or associated with the active conduct of official UC ANR business.

IV. COMPLIANCE / RESPONSIBILITIES

- A. All entertainment expenses will be properly authorized, paid for and reported on in accordance with UC policy, as further described in item V., *Procedures* below.

B. When Entertainment is Appropriate

UC ANR entertainment expenditures are to be made only in the course and scope of official UC ANR business. As well, they must, in the best judgment of the approving authority, be of significance to UC ANR affairs and not of the type normally undertaken in a personal rather than an official capacity. As a guide in reaching this determination, the approving authority must evaluate the importance of the event in terms of the cost to be incurred, the benefit to be gained, the availability of funds, and the alternatives that would be equally effective in accomplishing the desired objective. Entertainment expense types and occasions meeting these standards include but are not limited to the following:

1. The cost of light refreshments or meals when UC ANR is host or sponsor of a meeting of a learned society or organization.

2. The cost of light refreshments or meals when UC ANR is host to official guests or prospective appointees for positions requiring specialized training and/or experience of a professional, technical, or administrative nature.
 - a. In this context an “official guest” means a person not otherwise employed or compensated by UC ANR who renders a service to UC ANR and/or is a guest of the UC ANR employee authorized to approve the expenditure.
3. The cost of light refreshments or meals when administrative meetings are held that are directly concerned with the welfare of UC ANR. For meetings that include meals, the meals must be a necessary and integral part of the meeting, not a matter of convenience. Reimbursement of meals for a group (two or more individuals) will only be made if the meal is a necessary part of the meeting and is included in the agenda.
 - a. If the meeting host is on travel status, the request for reimbursement of group meals at meetings should be submitted as part of the travel reimbursement request. See PPM Section 212, *Travel* for additional information.

C. Meal Allowances

Per-person meal expenditures shall not exceed the limits shown in Appendix A (page 25) of BUS-79 (see link in section VI, *Related Information* below). If appropriately justified, exceptions may be considered but require exceptional approval as described below in section V., *Procedures*.

D. Fund Sources

Expenses for official entertainment may be supported with various UC fund sources, within the approved level of Supplies and Expense funds, subject to the above rules and the following general limitations.

<u>Source</u>	<u>Limitations</u>
Federal and State Appropriations	No alcoholic beverages
Non-State Funds	Observe restrictions, if any, on use of funds
Extramural (contracts & grants) funds	If specifically authorized in the contract or grant or agency policy and to the extent and for the purpose(s) authorized. (The terms of an award cannot authorize an expenditure that is not in accordance with UC policy.)

V. PROCEDURES

A. Approval of Entertainment Requests

1. Authority

Unit heads (and/or their superiors) have the authority to approve appropriate entertainment requests, and the responsibility to decline to approve those that are

inappropriate.

- a. In this context, “unit head” means UC Cooperative Extension (UCCE) Directors, Research and Extension Center (REC) Directors, Statewide Program/Institute Directors and Service Unit Directors.
- b. Unit heads cannot approve the expenses of someone to whom they directly report, nor their own entertainment expenses. If a unit head is the official host, the individual to whom they report must approve the entertainment expense.

2. Criteria

Unit heads will approve proposed entertainment expenditures only if they meet all of the following criteria.

- a. The proposed entertainment meets the criteria described in item IV, *Compliance/Responsibilities* above.
- b. The proposed entertainment will be supported by an appropriate fund source.
 - i. In the context of this section of the PPM, “appropriate” fund sources have all of the following three characteristics:
 - The employee (and/or the employee’s unit head) has authority over the subject fund source;
 - There is no restriction on the fund source prohibiting its use for the purpose of entertainment; and
 - The balance of the fund source is sufficient to fully support the entire cost of the proposed entertainment.

B. Payment of Entertainment Expenditure

1. After the event, if the employee paid for the cost (whether with personal funds or with the UC Davis Travel card), they should request reimbursement by completing and submitting an AggieTravel report.
2. All payments to vendors must be made using the Travel card. If a vendor has a written policy to not accept credit card payments, a request for reimbursement check can be made by completing the *Check Request/Entertainment Vendor Payment* form and submitting it to the Business Operations Center (BOC).
3. The following must be attached to check requests:
 - a. Original receipt(s) /invoice(s) showing payment method- Receipts/invoices in excess of \$75 must be fully itemized.
 - b. A list of participants with their titles and affiliations.
 - c. A copy of the meeting agenda.
 - d. A detailed business purpose for the entertainment.
 - e. Written confirmation from vendor that they do not accept credit card payments.
4. Both the employee and the unit head must sign the form.

5. The BOC will arrange for issuance of payment to the employee or to the vendor. Most requests for reimbursement will generally take in the neighborhood of two weeks to process.

C. Approval of Entertainment Expenditures

1. The UC ANR Vice President (Vice President) has vested the following positions within UC ANR with authority to approve entertainment expenditures of any dollar amount, **excluding** those that require approval of “additional” and/or “exceptional” expenditures as defined in BUS-79.
 - a. Vice Provost of Research and Extension
 - b. Director, Program Planning and Evaluation
 - c. Associate Director, Business Operations Center
 - d. Business Manager, Research and Extension Centers
2. The Vice President has vested the following positions within UC ANR with authority to approve entertainment reimbursement of any dollar amount, **including** those that require “additional” and/or “exceptional” approval as defined in BUS-79.
 - a. Associate Vice President
 - b. Associate Vice President, Business Operations
 - c. Controller
3. Approval of “additional” and/or “exceptional” entertainment expenditures must be requested with the **advance submittal** Controller of an *Approval Request for Additional/Exceptional Entertainment* form.
 - a. Common examples of items requiring “additional” and/or “exceptional” approval include the following.
 - i. Events for morale-building or recognition of UC employees or official UC volunteers.
 - ii. Events where alcohol will be served.
 - iii. Events that include spouses or domestic partners of the guests and/or the host.
 - iv. Events that exceed the allowable per person/per meal amounts stated in BUS-79.

D. Service of Alcohol

In addition to requiring advance approval by the Controller as an exceptional entertainment expenditure, the Alcohol Permit Request form must be completed and approved by the Risk & Safety Services Director.

VI. RELATED INFORMATION

- [UC Office of the President *Business & Finance Bulletin 79, Expenditures for*](#)

[Entertainment, Business Meetings, and Other Occasions](#)

- See BUS-79, [Appendix A](#) (page 25) for per-person, per-meal dollar limits
- [UC Office of the President Business & Finance Bulletin G-28, Travel Regulations](#)
- [UC Davis PPM 330-80, Entertainment and Hospitality with University Controlled Funds](#)
- [UC Davis AggieTravel](#)
- [UC ANR PPM 212, Travel](#)
- [UC ANR Approval Request for Additional/Exceptional Entertainment form](#)
- [UC ANR Alcohol Permit Request form](#)
- [UC ANR Check Request/Entertainment Vendor Payment form](#)

VII. FREQUENTLY ASKED QUESTIONS

A. *While I'm traveling, may I buy meals for others?*

No, this practice should be avoided unless you have requested and received "Group Leader" status. Travel policy generally requires that each traveler's expenses be reported individually. See UC ANR PPM Section 212, *Travel* for additional information.

B. *May I be reimbursed for expenditures for alcoholic beverages?*

No, not if the fund source supporting the cost prohibits it. For example, State and Federal funds may not be used to support the cost of alcoholic beverages. As well, use of most contract and grant funds for alcoholic beverages is also prohibited. Accordingly, it is best that you verify what entertainment costs (if any) are allowed by your intended fund source **before** the scheduled event. **Please note that reimbursement of alcohol expenses requires exceptional approval by the Controller.** Questions should be referred to the BOC.

C. *I'm conducting a meeting that will include a working lunch. Is that reimbursable?*

Yes, if certain conditions are met. Administrative meetings that include lunch should take place over an extended period of time and the written agenda (copy required with reimbursement request) must include a "working lunch" item, thereby verifying that the meal is part of the business function. In contrast, reimbursement is **not** allowed when two or more employees from the same work location choose to go to lunch together to continue their business as an incidental part of the meal, or when the meeting could have been scheduled during regular work hours.

VIII. REVISION HISTORY

July 2017:

Format updated.

September 2020:

Section revised for clarity; expanded to provide additional information and various references and titles were updated.

June 2022:

Format and personnel updated.