

Guidelines for Business Meals and Food Purchases

Financial Services abides by the following guidelines to determine Allowable and Unallowable Food Purchases by East Texas A&M University employees or departments.

This document will be used to identify different methods of reimbursement for food purchases throughout this campus and how we determine if the food purchase is allowable or unallowable. Food purchase reimbursements rules are determined based on specific guidelines related to Texas Travel Regulations, Internal Revenue Service, System Policies, and East Texas A&M University rules and regulations.

Food Purchase Compliance

Expenditure request for food and/or refreshments must comply with one or more of the following direct purposes. If Financial Services accounting staff make a determination that the request does not comply with one or more of the following direct purposes the food purchase is not allowed and the expenditure request will be denied:

1. The recognition or promotion of academic achievement, athletic achievement, scholarship and/or service to a component of the System or the State;
2. The promotion of the communication of intellectual ideas among students, faculty, staff, administrators and/or representatives of the public;
3. The support of student events and activities which are sponsored by a component of the System;
4. The recruitment of highly qualified faculty, staff, and students;
5. The promotion of the exchange of ideas with community leaders regarding the role of a component of the System in the community;
6. The assistance of the Regents, accrediting agencies, officials from other universities and/or public officials in inspecting and reviewing the facilities and programs of a component of the System;
7. The support of a program of continuing education sponsored by a component of the System; or
8. The conduct of staff conferences and receptions or other events designed to recognize and honor employees.

Appropriate Funds

State Funds

The use of state funds for the purchase of food is very limited. State funds **cannot** be used for the purchase of food, coffee or related items for consumption by employees or departmental visitors. State funds can, however be used to pay for food purchases related to research or teaching in a class or lab setting. The purpose must be clearly documented. Food purchases directly related to research or teaching should be coded as Food Purchases (expense object code 4050). The purpose must be clearly documented.

Institutional Funds

Expenditures for food and/or refreshments from institutional funds are authorized to the extent such expenditures enable the state agency to carry out their education function, serve to promote education in the State of Texas, and provide an important public service. All food purchases must follow Texas A&M System Policy 25.05.

The following categories of funds may be used to purchase food and/or refreshments for the purposes listed above:

- Balances in accounts funded from student service fees, bookstore allocations, and concessions may be used to purchase food and/or refreshments to the extent to which such funds have been budgeted.
- Donated unrestricted funds and funds received as registration fees for continuing education conferences and short courses may be used to purchase food and/or refreshments where provisions have been included in the registration fee.
- Funds raised and/or earned by student organizations may be used to purchase food and/or refreshments.
- The locally generated income not restricted to administrative, education and general, research, plant expansion, loan, endowment, and/or scholarship programs may be used to purchase food and/or refreshments.

Food purchases for business meals should be coded using expense code 6340

Allowable food purchases other than business meals should be coded 6339.

Alcohol purchases should be coded 6341.

Business Meals

Request for payment for reimbursement of business meals or food purchases must contain sufficient documentation. Accounts Payable requires an **itemized** receipt or invoice along with a completed Business Meals/Food Purchase Justification form (replaces the 5 W's form). Accounts Payable reserves the right to request more documentation if deemed necessary. **If the request does not contain sufficient documentation to satisfy the Internal Revenue Service's 5 W's (who, what, when, where, and why) then request for reimbursement will not be allowed.**

Financial Services considers "business meeting" to be self-explanatory. If the event in question cannot be considered to be a business meeting, food and/or drink paid for by the University is not allowed. An agenda and minutes for the event may be requested to determine if the event meets this requirement. The general guideline Financial Services accounting offices have used in interpreting this policy has been that if the meeting is incidental to the food, the food is unallowable; if the food is incidental to the meeting, the food may be allowable.

The processing of a voucher in error does not obligate Financial Services/Accounts Payable to process all similar, subsequent vouchers. Each voucher must stand on its own because an improper type of payment is not made proper by the fact that it was made one or more times. Therefore, a department/entity should not assume that the processing of a particular voucher indicates the Accounts Payable office's decision to process all similar, subsequent vouchers.