



CU Policy – Rule 03-140-505

Meals, Refreshments and Events (Non-Travel)

1. Summary

- 1.1.** Oregon State University funds may be used to pay for meals and refreshments at specific unit functions or under special circumstances, and to host official guest(s) or group(s) within certain guidelines.
- 1.2.** This policy provides guidelines for allowable meals, refreshments and related expenses associated with unit functions, hosting official guest(s) and sponsored events. Specific activities and types of expenses not allowed are also defined in this policy.
- 1.3.** All [budget authorities](#), managers, supervisors and any employee who would be in a position of having a meal/refreshment or hosting official guests or groups while conducting university business should be informed and understand this rule.

2. Compliance Requirements

2.1. Meals, Refreshments or Affiliated Supplies at Unit Functions

- 2.1.1.** The university or an OSU employee, in the normal conduct of a program or activity, may provide meals or refreshments (including supplies such as paper products) when a clear [business purpose](#) is documented and the appropriate approval process is followed.
- 2.1.2.** University funds are authorized and not considered taxable income to the employee when there is a business purpose and one of the following criteria is met:
 - a) The meal or refreshments are furnished for the *convenience of the employer (the university)* and on university premises.
 - Per IRS, examples include meals provided on an occasional basis when an employee is required to work an emergency call, restricted to a shortened meal period, unable to secure a proper meal within a reasonable meal period or required to work overtime beyond their normal work schedule.
 - OSU vessel operating practices are a specific example meeting this criteria for non-taxability to employees, therefore lunches may be provided to crew members while the ship is in home port).

- b) The value and frequency of the meal or refreshments provided is so small that it is considered a *de minimis fringe benefit*.
 - Per IRS, the meal must have so little value that accounting for it would be unreasonable or administratively impracticable.
 - Any given event at which a meal is provided should occur infrequently (e.g. only 3-4 times/year).

2.2. Hosting Official Guests and Groups

- 2.2.1.** The university or an OSU employee, in the normal conduct of a program or activity, may serve as host for official guests of the institution by paying for their meals, refreshments, transportation or other expenses when a clear business purpose is documented and the appropriate approval process is followed.
- 2.2.2.** Authorization by the appropriate program personnel is required prior to extending an invitation for official guests or hosted groups.
- 2.2.3.** An official guest is a person who has been invited to an OSU facility or function for a specific purpose that benefits the university's mission. Official guests include, but are not limited to:
 - a) Candidates for open positions (accompanying family member(s) are authorized with Budget Authority approval and will be taxable to the candidate)
 - b) Prospective students, including student athletes within appropriate athletic association guidelines
 - c) Visiting scientists, scholars, artists, dignitaries, guest or seminar speakers
 - d) Advisory board members
- 2.2.4.** A hosted group is a group of persons involved in a university activity where meals, refreshments or other expenses are arranged in advance. Associated activities include, but are not limited to:
 - a) Conferences
 - b) Commencement events
 - c) Community or public relations events
 - d) Student activities
 - e) Focus group working sessions

- f) Appreciation events for students or volunteers in recognition of a specific accomplishment

- 2.2.5. Meals for employee family member(s) are not normally reimbursable; however, sometimes when a job candidate or official guest is accompanied by family member(s), meal(s) for the employee's family member(s) may be allowable at the discretion of the Budget Authority.
- 2.2.6. For official guests who are not receiving compensation through a Professional Services Contract (PSC), the guest may be reimbursed for a non-hosted meal based on OSU approved meal [per diem](#) rates located on the [Travel](#) website.
- 2.2.7. For official guests receiving compensation, the PSC amount covers all incurred expenses, including meals.

2.3. Commencement Event Expenses

- 2.3.1. Departmental expenses for commencement events may be paid from non-restricted university funds when the primary purpose is to recognize student achievement with authorized Budget Authority approval.
- 2.3.2. Costs incurred for commencement events and convocations are not allowable on restricted funds except when specifically authorized by the sponsor.
- 2.3.3. When faculty or staff attend the commencement ceremony as part of their official duties, academic regalia may be purchased or rented as appropriate using university funds.
- 2.3.4. The purchase or rental of a cap or gown for students is considered personal in nature and is only allowable on Fund Type 70 – Recognized Student Organization funds.

2.4. Alcoholic Beverages

- 2.4.1. The institution is responsible for compliance with all laws and Oregon Liquor Control Commission regulations, including obtaining a one-day license for serving beer and wine at events.
- 2.4.2. University funds cannot be used for the purchase of alcoholic beverages, except when served at banquets or other special group activities conducted as part of a workshop or conference and the full cost is recovered through charges to the participants or sponsoring group.
- 2.4.3. If alcoholic beverages are purchased for personal consumption in the course of entertainment or recruitment activities, the cost (including any tips or fees) must be separately identified and billed directly to OSU Foundation (OSUF).

2.4.4. Alcohol used in cooking is not an alcoholic beverage.

2.5. Non-Allowable Expenses

2.5.1. Meals and refreshments cannot be paid with university funds for the following activities and types of expenses (this list is not all inclusive):

- a) Alcoholic beverages (see exceptions and additional information in section 2.4)
- b) Regularly scheduled unit meetings (see frequency requirement in section 2.1.2)
 - Recognized Student Organizations (RSOs) are exempt
- c) Events that do not further the mission of the university, such as:
 - Departmental social activities (e.g. celebrating birthdays, resignations, retirements, holidays, etc.)
 - Items for faculty, staff or student host use (e.g. break time coffee, tea, soda, snacks, etc.)

3. Required Process

3.1. Determining & Documenting Allowable Costs

- 3.1.1.** Approved OSU travel [per diem](#) rates, will be used as a guideline to ensure that authorized meal and refreshment costs, including gratuity and tax, are reasonable for the occasion.
- 3.1.2.** A reasonable gratuity/tip (e.g. 15-20%) is allowable.
- 3.1.3.** A room use fee may be charged by some establishments and is an allowable cost when hosting a large gathering that requires a separate room.
- 3.1.4.** An employee may request reimbursement for food and supplies purchased for a function at the employee's home.

3.2. Requesting Payment

- 3.2.1.** For employee reimbursements, complete a [Personal Reimbursement Request](#) with required documentation and submit to the appropriate Business Center.
- 3.2.2.** For vendor invoice payments, submit invoice with required documentation to the appropriate Business Center.
- 3.2.3.** Documentation required to demonstrate a non-compensatory business purpose must include a clear description of the event, location, number of attendees and who is in attendance. Individual names may be provided, but are not required.

- 3.2.4. Meals, gratuities, alcoholic beverages and any other charges are to be separately identified on an itemized receipt. In the rare instance when a receipt has been lost or destroyed, a [Lost/Missing Receipt Affidavit Form](#) must be completed and included with the reimbursement request.
- 3.2.5. The calculated average cost per person for refreshments or meals must be included on the first line of TEXT in the Banner invoice or journal voucher. The average is determined by dividing the total cost (meal/refreshments including tip and delivery charge) by the number of attendees.
- 3.2.6. Request for payment must be signed by the individual claiming reimbursement and approval by the appropriate budget authority.

3.3. Account and Fund Codes

- 3.3.1. Refer to [Account Codes](#) for more detail about specific codes to be used. Following are some quick references:
 - a) **20300 Student Meals** – for athletic training meals and special student group meals while at normal campus locations (refer to CU policy 03-140-401 Travel when these students are in travel mode)
 - b) **28502 Overtime Meal Allowance**
 - c) **28602–28610 Conferences (meals, refreshments and facilities), Hosting Groups & Guests and Entertainment**
 - d) **28611 Refreshments and Food–Departmental**
 - e) **28612 Hosting Groups and Guests**
 - f) **28613 Public Relations**
 - g) **Designated Operation Funds (05xxxx), Auxiliary Enterprise Funds (1xxxxx) or Agency Funds (9xxxxx)** – for alcoholic beverages served at events when the full cost is recovered through charges to the participants or sponsoring group

4. Related Information

- 4.1. Please check with your supervisor for unit-level procedures related to this rule and other resources that may not be listed below.
- 4.2. [University Policy 03-100 Controller's Unit Policy Program Authority](#)
- 4.3. [CU Policy-Rule 03-140-510 Services](#)

- 4.4. [Travel Policies & Resources](#)
- 4.5. [Code of Federal Regulations 26 Section 1.61-21](#) Taxation of Fringe Benefits
- 4.6. [Code of Federal Regulations 26 Section 1.119-1](#) Meals and Lodging Furnished for the Convenience of the Employer
- 4.7. [IRS Guideline for De Minimis Fringe Benefits](#)
- 4.8. [Definitions of Terminology](#)
- 4.9. [Frequently Asked Questions](#) (FAQs)

5. History

- 5.1. Original Issue Date: 01/2003 (*FIS 410-01 Alcoholic Beverages & FIS 410-05 Hosting Groups and Official Guests & FIS 410-07 Non-Travel Meals and Refreshments & FIS 410-09 Graduation Event Expenses*)
- 5.2. Previous Versions: 08/2013 (*FIS 410-01*); 03/2016 (*FIS 410-05*); 10/2016 (*FIS 410-07*); 07/2017 (*FIS 410-09*); 05/2019; 02/2020; 04/2020; 06/2023
- 5.3. Next Scheduled Review Date: 02/2025
- 5.4. Current Review Documentation:
 - Stakeholder Feedback: Student Orgs; CUL
 - Policy Steward Approval: 02/24
 - Controller Approval: 02/24

6. Contacts

- 6.1. Policy Steward: Manager of Analytical Operations ([contact info](#))
- 6.2. Program: Fiscal Policy Officer ([contact info – for program inquiries only](#))