Bourns College of Engineering, Dean's Office

Entertainment Policy/Procedure Quick Guide
Owner: BCOE, Dean's Office
Date: December 23, 2015

Objective:

The Dean's Office is committed to accurate and timely entertainment expense reimbursements via the online Concur expense reporting system. It is the Dean's Office responsibility to provide clarification on the Campus entertainment expense reporting process, ensure entertainment reporting adheres to UC policy, and assist the Campus in ensuring entertainment expense reimbursements meet the IRS "Accountability Plan" requirements. To meet the IRS Accountable plan requirements, all University employees must comply with certain entertainment expense reporting rules. Under the IRS Accountable Plan requirements, hostess provide the University with the same type of records and supporting information that the hostess would provide to the IRS if the IRS questioned an entertainment related deduction. To assist in processing timely entertainment expense reimbursements and maintaining compliance with the IRS Accountability Plan requirements, a summary of the important elements have been noted below along with some basic procedures.

Authorization must be obtained from the Administrator (i.e., program director, Department Chair, or Principle Investigator) responsible for the fund being charged on all entertainment requests. Authorization requests can be sent via email or hard copy and they must be stored electronically as an attachment on the Concur expense report request.

Procedures:

1. Once it has been established that entertainment is needed and/or entertainment has commenced and completed, the hostess provides the Purchasing Assistant with the appropriate authorization and documentation within 15 business days of the event. This can be in the form of a "pre-approval" email or initiation of a Concur Expense Report as a requestor that includes the following:
    - Name of hostess
    - Date of business entertainment/event
    - Destination/location and purpose of the event
    - Estimated and/or actual expenses for meals and related business expenses associated with the entertainment
    - Names of all attendees and their affiliations
    - COA to be charged

2. If the expense is going to require exceptional approval due to overages on the per person meal costs, nature of event, and/or spousal/family attendance, a BCOE Request for Exceptional Approval must be completed and sent to the Dean's Office Analyst for review and approval by the Dean. Only the Chancellor is authorized to approve expenses that exceed 200% of the per-person maximum rate.

3. It is highly encouraged that all hostess initiate their own reimbursement request in Concur as a requestor and complete as much of the needed information as possible. The authorization (if requestor is not the fund Administrator) and related receipts will be attached by the department Purchasing Assistant**.**

4. Once the event has been initiated in Concur and the required documentation has been attached, the Purchasing Assistant will forward the request and it will flow through the departmental approval process and route to Accounting for final approval and processing.

5. Pursuant with Policy 5402, if the event will be catered on campus or at a UC facility, and setup, preparation or serving of food/drinks will be required; campus Dining Services has the first right of refusal. Departments are highly encouraged to contact Dining Services at least 3 weeks prior to their event to discuss their catering needs. If Dining Services is unable to accommodate the Departments request, they can request an RFP from one of the pre-qualified off-campus caterers listed on Procurements site, or work with Procurement to add a new caterer to the pre-qualified list. Once an RFP is obtained, Departments must complete a Contracting Out Justification Form and receive all necessary approvals, including the Dean's, before submitting a Purchasing Requisition to Procurement.

6. If the event is large enough to involve catering over $250 and is being held on Campus, an approved pre-qualified vendor must be used via the purchase order system, per campus policy 200-14. Furthermore, per campus policy 750-63; catering, beverages or foodstuffs over $250 require the Dean's approval.

Policy Requirements:

1. Substantiation of business expenses through completion of all required fields in Concur.
    - In the Expense Header "Report Name" field, the event title and date(s) must be provided. In the "Business Purpose/Additional Information" field, a clear description of the University business purpose must be provided. This can be accomplished by attaching the meeting agendas, conference program, speaker fliers, etc.
    - Clearly identify if the event is multi-day and attach all related purchase orders and Concur expense reports.
    - Add the appropriate Expense Type and complete all required fields.
    - Attach attendee list and enter each attendee's name and affiliation (i.e., host, employee, donor, guest, spouse/partner, student)
2. Attach required documentation
    - Itemized receipts are always required expenses over $75. **For expenses under $75, receipts are not required**.
    - Itemized receipts should be original and show the name of the payee, the amount of the charge, the transaction date, and method of payment.
    - If original receipts are not available for expenses over $75, a Declaration of Missing Evidence should be completed.
3. Allowable Expenses
    - Entertainment meals provided to prospective donors, employees or student appointees
    - Entertainment meals provided to visitors, guests, and volunteers
    - Entertainment meals provided to a spouse or partner of a guest or host (on an exception basis)
    - Business meetings
    - Employee morale functions (on an exception basis)
    - Other employee meals
    - Student meals
4. Authorized Rates
    - The Maximum per person rates for meals and light refreshments are established by UC and include food, beverages, tax, service, and delivery charges.
    - Breakfast maximum is $34/person.

- Lunch maximum is $59/person.
- Dinner maximum is $103/person.
- Light refreshment maximum is $24/person.

5. Approval of Expenses
    - The host must approve all expenses.
    - The department head of equivalent authority must approve all routine expenses.
    - The expenses must support the department, organization, and University mission.
    - The expenses should be reasonable, cost effective, and allowable on the fund source.
6. Exceptional Expenses
    - The Dean must approve all exceptional expenses and this should be done at least 15 working days in advance of the event.
    - These expenses should be infrequent.
    - These expenses include: expenses that exceed the per-person maximum rates; entertainment involving spouses/family members; table sponsorships; event tickets, cash contributions, and other events not specifically outlined in the policy (see below for link).

The above requirements are not an exhaustive list, and for the sake of brevity only represent the most significant of IRS Accountability Plan requirements for employee entertainment expense reimbursements. For more information about the official University entertainment, business meetings, and other occasions policy and procedures see the University of California's Business and Finance Bulletin BUS-79: http://policy.ucop.edu/doc/3420364/BFB-BUS-79.

Please note some funding agencies may require documentation beyond what is outlined under BFB G-28. Contact your department financial manager or contracts and grants analyst for more information.

UCR Entertainment Summary Policy

- Campus Dining Services has the first right of refusal for all catered events on campus or at a UC facility, which require setup, preparation or serving of food/drinks.
- All events must be for a legitimate business purpose and should be substantiated by and agenda, conference program, speaker flier, etc. All events need to be approved by the "owner" (i.e. manager, PI, etc.) of the funding source.
- Clearly identify the hostess and affiliation and note if the event is a multi-day event.
- Itemized receipts are always required for expenses over $75. **For expenses under $75, receipts are not required**.
- If original receipts are not available for expenses over $75, a Declaration of Missing Evidence should be completed.
- Entertainment meals provided to prospective donors, guests, and volunteers are allowable.
- Entertainment meals provided to visitors, employees or student appointees, are allowable.
- Entertainment meals provided to a spouse or partner of a guests are allowable by exception.
- Food provided for business meetings, employee morale functions (by exception), other employee meals, and student meals are allowable.
- The maximum per person rates for meals and light refreshments are established by UC and include food, beverages, tax, service, and delivery charges.
- The maximum rates effective 9/1/25 are as follows: Breakfast $34/person, Lunch $59/person, Dinner $103/person, and Light Refreshments $24/person.
- The host must approve all events/expenses and an attendee list must be provided.
- All expenses must support the department, organization and University mission.

- The expenses should be reasonable, cost effective, and allowable on the fund source.
- The Dean must approve all exceptional requests and these types of events should be infrequent.
- Exceptional events include: expenses that exceed the per-person maximum rates; entertainment involving spouses, partners and/or family members; table sponsorships; event tickets, cash contributions, and other events not specifically outlined in the policy.

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