POLICIES & PROCEDURES

Non-Travel Status Meals and Refreshments

ISUPP 2530

POLICY INFORMATION
Policy Area: *Finance*
Policy Title: *Non-Travel Status Meals and Refreshments*
Responsible Executive (RE): *Chief Financial Officer*
Sponsoring Organization (SO): *Finance*
Effective Dates: *8-17-2009, 8-12-2017; April 14, 2022; TBD*
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I. INTRODUCTION

This document establishes policy and guidelines to ensure Idaho State University (ISU) complies with the Idaho State Board of Education's (SBOE) policies and procedures related to expenditures for meals and refreshments while in non-travel status. This policy provides direction to individuals expending funds while conducting official business on the University's behalf, and applies to all University entities.

II. DEFINITIONS

A. Adequate Cause. One or more acts or omissions which, singly or in the aggregate, have directly and substantially affected or impaired a Workforce Member's performance of his or her professional or assigned duties or the interests of the University or the Idaho State Board of Education. In addition, any conduct seriously prejudicial to the University or the Idaho State Board of Education may constitute Adequate Cause for discipline up to and including dismissal or termination of a Workforce Member.

B. Business Meals. An informal meal typically at an off-campus location for discussion of official University business. Such meals generally include individuals external to ISU. Examples of Business Meals include, but are not limited to recruitment, donor development, and community outreach.

C. Business Purpose. A specific, documented justification demonstrating the direct benefit to the University which shows the event is a necessary, work-related expense.

D. Conferences. A formal assembly, symposium, or meeting that involves both university affiliates and external participants that includes an official conference agenda and registration requirements, typically held for professional development, research dissemination, or field-specific training.

E. External Funds. Sponsored Programs (grants) and other accounts fully funded by a sponsoring entity outside the University, which typically have restrictions or limitations on how such funds are used.

F. Informal Meeting. Any gathering, session, or discussion conducted by University employees or public officials that lacks the formal administrative structure required of official business, sponsored training, or public forum, including the absence of a pre-approved, written agenda detailing specific objectives or formal timelines. Attendees do not include external stakeholders.

G. Local Funds. Accounts funded through University, auxiliary, or departmental activities, not state-appropriated dollars.

H. Meal. A substantial food service corresponding to traditional breakfast, lunch, or dinner times which is intended to provide complete sustenance.

I. Official Primary Workstation. The work area or office assigned to the employee. Remote work locations or telework arrangements do not automatically establish an employee residence as the Official Primary Workstation unless specifically designated in writing by the employing entity.

J. Refreshment. Light food or drink served outside of or between full Meals intended solely for the comfort of the recipient.

K. State-Appropriated Funds. Accounts fully funded through appropriation by the State of Idaho.

L. Vicinity Travel. Travel for official business purposes in and about a city, including travel within a traveler's Official Primary Workstation, when it does not constitute a trip between two distinct communities. Vicinity mileage may include travel between meetings, temporary work locations, training sites, airports, or other official business destinations within the same general geographic area.

III. POLICY STATEMENT

University faculty and staff are often called upon to participate in various business functions and events. These functions and events can take many forms, including business meetings, public

relations activities, and campus events. The University takes its role as steward of the public trust as it relates to public funds very seriously. All expenditures must be necessary, for the good of the University, and represent a valid business purpose. No University entity has the authority to approve or process expenditures that do not meet the State Controller's criteria.

IV. AUTHORITY AND RESPONSIBILITIES

A. Account Directors. Ensure compliance to all applicable policies, laws and regulations. Ensure State-Appropriated Funds are used only for allowable purchases. Account Directors review transactions to ensure all expenditures qualify for reimbursement and are answerable in audit for non-compliant purchases. In conjunction with the UBO, Account Directors approve mileage claims incurred for official state business within or near an employee's primary workstation for it to be reimbursable.

B. Controller. Ensures that staff are properly trained to execute their duties efficiently and in accordance with laws and regulations. Publish and provide training detailing the use of standard internal purchase networks.

C. Delegate. Delegates approving expenditures for meals, refreshments, and entertainment must certify the event or activity served a valid and necessary Business Purpose. Delegates must determine that the activity is directly related to the objective and mission of the University, and evaluate the cost vs. benefit of the event.

D. Purchasing. Ensure the appropriate funds are used in each transaction. Conduct documentation review and monitor individual transactions. Has the authority to request additional documentation, including mileage logs, to support the business purpose or validity of claims.

E. University Business Office (UBO). Must jointly approve vicinity travel mileage claims within or near an employee's primary workstation along with the Account Director.

F. Vice President, Dean, or Director. Must approve any travel or meal reimbursements for an employee’s spouse or partner, which are only permitted if the spouse/partner plays a significant and essential business or fundraising role. Must approve meal reimbursements for employees attending remote conferences at their Official Primary Workstation.

V. VICINITY TRAVEL

A. Commuting expenses between an employee’s residence and Official Primary Workstation are not reimbursable unless otherwise authorized under this policy.

B. Mileage incurred for official State business within or near the employee’s Official Primary Workstation area may be reimbursable if approved by the Account Director and UBO.

C. Thresholds and Limitations. Vicinity travel reimbursement will only be authorized once an employee's accumulated official business mileage reaches fifty (50) miles within a six (6) month period.

D. Documentation Requirements.

1. Travel reimbursement requests for Vicinity Mileage must include evidence that verifies:
    a. The date of travel;
    b. The purpose of travel;
    c. The general destination;
    d. Total miles traveled; and,
    e. If total Vicinity travel is greater than fifteen (15) miles per day, an explanation of the travel destinations and related Business Purpose.
2. Approving authorities may require additional documentation including mileage logs when necessary to support the Business Purpose or reasonableness of Vicinity Mileage claims.
3. To be eligible for processing and reimbursement, claims must be submitted no later than:
    a. Within thirty (30) days of reaching the 50-mile threshold; and,
    b. Prior to the end of the fiscal year.

VI. MEALS AND REFRESHMENTS

A. General.

1. Account Director.
    a. As the designated primary contact person for accounts, the Account Director is directly responsible for ensuring absolute compliance. The Account Director must check every transaction to guarantee it qualifies for reimbursement.
    b. Because no University entity has the authority to process or approve expenditures that violate State Controller criteria, the Account Director must actively enforce the limits in this policy. The Account Director must make it clear to personnel that unauthorized or non-compliant transactions will not be approved or reimbursed.
    c. If the Account Director fails to act as this critical barrier and allows unallowable purchases to proceed, the Account Director will be held responsible and is subject to disciplinary proceedings.

2. Food Service Contractor. The University has a contractual obligation to grant the on-campus food service contractor exclusive rights to provide food and food service for all events occurring on campus. Information about exceptions and waivers can be found on the University website under Bengal Dining.
3. Documentation.
    a. The following must be clearly stated on all meals and refreshments reimbursements or payments:
        i. Business purpose statement: Provide a clear and informative statement of the business purpose on all forms. Describe why the meeting is necessary. For example: “Meeting with donor to discuss future donations.” Statements like "business lunch" or "meeting" are not adequate.
        ii. Receipts and documentation: Provide itemized receipts. Credit card receipts must include sufficient detail to identify the nature of the goods provided and whether alcohol was purchased.
        iii. List of Participants: List participants or recipients for meals. Groups over ten (10) may be identified by group name only and estimated number of participants.
        iv. Agenda: If applicable, provide a meeting agenda, announcement, or flyer.
    b. Failure to meet the above requirements may result in denial of reimbursement to the individual who incurred the cost or late payment.

B. Prohibited Reimbursements.
1. Meals Provided by Relatives.
    a. Payment for the cost of meals provided by relatives or other parties is not allowed unless:
        i. The providing party is in the business of providing such services; and,
        ii. The providing party advertises to the general public.
2. Employee Meals and Refreshments.
    a. Regularly scheduled staff meetings do not qualify for meals or refreshments.
    b. Meals typically may not be provided to employees at their Official Primary Workstation. An employee should consult their supervisor for hours outside of normal business hours.
3. Informal Meetings.

a. Reimbursement for meals at the Official Primary Workstation is not allowed for informal meetings (i.e., over a casual breakfast, lunch, or dinner) between staff members of a department or other department; state or federal employees; and/or state employees and legislators, unless it is charged to a public relations account.

b. All meetings will be considered informal unless documented proof is submitted with the request for reimbursement.

c. Informal Meetings can generally be identified by meeting one or more of the following conditions:

i. Administrative Structure. The session lacks a pre-published, structured business agenda detailing specific curriculum, training objectives, or formal timelines; or,

ii. Participant Profile. Attendance is exclusively limited to internal staff members, peer colleagues across agencies, or public officials who are already on active duty at their primary workstation, with no external stakeholders, recruits, or paying public registrants present; or,

iii. Delivery Method. Business discussions are conducted concurrently with, or secondary to, the consumption of a casual meal (e.g., breakfast, lunch, or dinner working groups).

4. Break Room Consumables and Supplies.

a. Beverages, snacks, consumables, and related supplies for the consumption of employees are the responsibility of the employees in a given area unless the primary purpose is for student or public use.

b. This includes water coolers, bottled water, and related services; unless they are provided for public consumption and are clearly located in an area frequented by students or the general public.

c. Refrigerators, microwaves, and other related break room equipment are permitted when available for use by all employees in the area.

C. Local Funds Only. The following items cannot be purchased with State-Appropriated Funds, but can be purchased with Local Funds if all criteria for reimbursement are met.

1. Social Gatherings or Special Occasion Meetings.

a. Business Meals or refreshments related to such activities as social gatherings, holiday celebrations, picnics, team-building or team milestone celebrations.

b. These events must be:

i. Limited in number,

ii. Have a valid business purpose; and,

iii. Be either potluck-style or funded through Local Funds.

2. Retirement/Separation Reception.

a. The University recognizes the importance of retirement and separation receptions to honor the efforts of valued employees.

b. The University will reimburse or pay for the cost of food for this event if all the following criteria are met:

i. Employee has at least 5-years of service at ISU;

ii. The event is held on campus and open campus-wide;

iii. The event must use Local or External Funds; and,

iv. Alcohol purchase must follow *Alcoholic Beverage Permitting ISUPP 1040*

3. Student Activities and Events. Student organizations sponsoring activities or events are permitted to pay for meals and refreshments from their Local Fund accounts.

4. Alcoholic Beverages.

a. The procurement of alcohol for on-campus events requires prior approval by the University President in accordance with ISUPP 1040 *Alcoholic Beverage Permitting*.

b. The procurement of alcoholic beverages for off-campus meetings or events such as Business Meals or entertaining is permitted when a valid business purpose exists.

c. Payment or claims for reimbursement of alcoholic beverages must be charged to Local Funds.

D. State-Appropriated Funding Sources.

1. General.

a. The use of State Appropriated Funds is permissible in the following circumstances if all applicable guidelines are followed. Reimbursement from State Appropriated Funds are not permitted if all steps are not followed.

b. Team Building events must be limited in number and meet the same criteria as Conferences, discussed below.

2. Refreshments.

a. Refreshments provided at ISU-sponsored meetings or trainings for all categories of ISU employees (including student employees) shall meet the criteria required by the State of Idaho, described below. If all criteria are not met, the related costs must be charged to a Local Fund.

ii. The meeting or training session has a published agenda and attendance is mandatory;

iii. The meeting or training session has an intended duration of three hours or more;

iv. There are five or more attendees; and

v. The total cost per attendee per day for refreshments, will not exceed the allowable partial-day per diem amount established for breakfast.

a. Refreshments for Student Recruitment and Retention Activities.

i. Activities sponsored by the University for recruiting and retaining students are exempt from the criteria outlined above in paragraph VI.D.2.a., but must meet all other documentation and approval requirements.

3. Meals.

a. University-sponsored meetings and training. Meals provided at ISU-sponsored meetings or trainings for all categories of ISU employees (including student employees) shall meet the criteria required by the State of Idaho, described below. If all criteria are not met, the related costs must be charged to a Local Fund.

i. The meeting or training session has a published agenda and attendance is mandatory;

ii. Location or scheduling conflicts do not lend themselves to a meal recess;

iii. The meeting's business is furthered by speeches, presentations, or interpersonal exchange that would not normally occur on a daily basis;

iv. The meeting or training session has an intended duration of six hours or more;

v. There are five or more attendees; and,

vi. The total cost per attendee meal does not exceed the allowable partial-day per diem reimbursement for the meal.

vii. The per-attendee cost of meals for events held off-campus must not exceed the appropriate allowable partial-day travel per-diem rate for meals.

b. Conference Meals.

i. To be considered a Conference, the event must include:

1. Advanced scheduling;

2. A published, substantive agenda;

3. Pre-distributed timeline;

4. Designated presenters;

5. Formal registration process; and,
6. Include a list of participants.

ii. Meals may be provided to an employee at a Conference held at ISU if, in addition to a published agenda, at least one of the following criteria is met:

1. The Conference has participants from various off-campus locations; or,
2. The meal cost is included in the registration fee.

ii. Remote Conference Attendance.

1. It is permissible for employees to be reimbursed for the actual cost of meals incurred while attending conferences or conventions at their Official Primary Workstation in connection with their University responsibilities.
2. Any potential determination as to what comprises a “conference” at the Official Primary Workstation requires documentation of conference validation criteria before meal reimbursement will be considered.
3. Reimbursement for Remote Conference attendance requires the approval of the department chairperson/director.

b. Employee and Faculty Recruitment.

i. Business Meals or refreshments provided during the official recruitment process may be reimbursed or direct paid through State-Appropriated or Local Funds (External Funds, if permitted by the granting authority) as long as the amount does not exceed the allowable partial-day per diem amounts established by the State.

ii. Any amount in excess of the partial-day per diem amount must be paid by Local Funds. Current totals for partial-day per diem can be found on the ISU website.

c. Business Meals.

i. Business Meals can be reimbursed or direct paid through State-Appropriated or Local Funds.

ii. If the amount being paid or reimbursed exceeds the allowable partial day per diem amounts established by the state, the excess must be paid from a Local Fund.

iii. Business meal reimbursement is based on receipt and does include reimbursement for tips.

d. Spouse/Partner of Employees.

i. Under most circumstances, the University does not pay/reimburse for expenses of spouses/partners who attend a function.

ii. Reimbursements for a spouse/partner may occur when a spouse/partner plays a significant and essential University business role or is involved in a fundraising activity.

iii. Such reimbursements require the approval from the VP/Dean or Director.

iv. The cost of a meal or refreshments provided to a spouse/partner of a University employee will be taxable compensation to the employee in accordance with IRS regulations.

v. Official functions to which spouses or partners are invited as a matter of protocol or tradition, including ceremonial functions, fundraising events, alumni gatherings, and community events are an example of activities at which the presence of a spouse or partner may serve a bona fide business purpose.

VII. COMPLIANCE AND SANCTIONS

A. Compliance Responsibilities.

1. Individual Responsibility. Each individual who incurs an expense is responsible for ensuring that the expenditure is allowable under this policy, is supported by appropriate documentation, and is submitted for reimbursement or reconciliation within the timeframes specified by the Controller.

2. Approver Responsibility. Approving officials are responsible for reviewing each transaction prior to approval to confirm business purpose, allowability, reasonableness, and adequacy of supporting documentation. Approval constitutes an attestation that the approver has reviewed the transaction and believes it complies with this policy. Approvers may not approve their own expenses or expenses submitted by an individual to whom they directly report.

3. Departmental Responsibility. Department and unit heads are responsible for establishing internal controls sufficient to ensure compliance within their units, including segregation of duties between requesters, approvers, and account reconcilers where staffing allows.

B. Audit and Monitoring.

1. Routine Review. All expenses submitted under this policy are subject to review by the as part of standard transaction processing. Routine review may include verification of documentation, per-person cost limits, attendee lists, and business purpose statements.

2. Risk-Based and Random Audits. In addition to routine review, the University may conduct risk-based audits and periodic random sample audits of transactions.
3. Record Retention. All supporting documentation for expenses must be retained in accordance with the University's record retention schedule and must be made available upon request for audit review.
4. Cooperation with Audits. Individuals and departments must cooperate fully with any audit or review, including providing timely access to documentation, systems, and personnel.

C. Noncompliance and Sanctions.
1. Classification of Violations. Violations of this policy are evaluated on a case-by-case basis and generally fall into one of the following categories:
    a. Inadvertent error. An unintentional and singular mistake in documentation, coding, or application of policy limits, corrected promptly upon notice.
    b. Policy violation. A claim or approval that does not meet the requirements of this policy but does not involve intent to deceive (e.g., missing business purpose, exceeding per-person limits without prior approval).
    c. Fraudulent or abusive activity. Intentional misrepresentation, falsification of documentation, claiming personal expenses as business expenses, or deliberate circumvention of approval controls.
2. Corrective Action for Policy Violations.
    a. Where a violation is identified, the individual or approver will be notified, and one or more of the following actions may apply:
        i. Denial or reversal of reimbursement, or requirement that the individual personally repay disallowed amounts;
        ii. Mandatory retraining on this policy;
        iii. Temporary suspension of delegated purchasing or approval authority (e.g., procurement card privileges);
        iv. Formal notation in the departmental compliance record;
        v. Adequate Cause determination that may result in individual sanctions up to, and including, termination of employment; and/or,
        vi. Any other corrective action the University deems appropriate to mitigate risk.
3. Escalation for Repeat Offenders.

a. Individuals or approvers with a documented pattern of noncompliance are subject to escalated review and additional oversight, which may include:

i. Mandatory pre-approval of all expenses for a defined probationary period, regardless of dollar amount;

ii. Revocation of procurement card or direct purchasing authority;

iii. Increased audit frequency, including 100% transaction review rather than sample-based review, for the individual or their department;

iv. Referral to the individual's supervisor, dean, or vice president for inclusion in performance management processes;

v. Referral to Human Resources and, where applicable, initiation of disciplinary proceedings.

4. Suspected Fraud.

a. Any transaction suspected of involving fraud, theft, or intentional misrepresentation must be referred immediately to the Controller and, as appropriate, to the Office of General Counsel, University Compliance, and/or law enforcement.

b. Findings of fraud may result in termination of employment, referral for criminal prosecution, and personal liability for repayment of misappropriated funds, independent of any corrective action described in Approver Accountability.

c. Approvers who repeatedly approve noncompliant expenses, whether due to inadequate review or disregard of known violations, are subject to the same escalation provisions in this section and may also have their approval authority revoked or reassigned.

5. Sponsored Project Expenses. Violations involving expenses charged to sponsored project funds are additionally subject to the terms of the applicable award and may require disclosure to the sponsoring agency, cost transfer, or return of funds, in accordance with University sponsored projects policy.

D. Appeals.

1. An individual subject to corrective action or sanctions under this section may appeal the determination in writing to the Vice President for Finance within ten (10) business days of notification.

2. The decision of the Vice President for Finance is final.

E. Reporting Concerns.

1. Faculty, staff, and students who become aware of a suspected violation of this policy may report the concern to their supervisor, the Office of Finance, Internal Audit, or University Compliance.
2. Reports may be made anonymously.
3. The University prohibits retaliation against individuals who report concerns in good faith.

VIII. RELATED LAWS AND POLICIES

A. ISUPP 2000 *Official Business Travel*

B. ISUPP 2560 *Purchasing*

C. ISUPP 2570 *Purchasing Card (PCard)*

D. ISUPP 7150 *Direct Charges for Extramural Awards*

E. ISUPP 8040 *Athletic Team Travel*

F. ISUPP 9020 *University Vehicle Use*

IX. ATTACHMENTS: ACCOUNT ALLOWABILITY MATRIX

ACCOUNT ALLOWABILITY MATRIX

Expenditure Types	State-Appropriated Funds	External Funds	Local Funds
Personal celebrations such as birthdays, baby showers, bridal showers, etc.	No	No	No
Meals and refreshments for business meetings, occasional office parties, and retreats to conduct University business or for staff and student development.	Yes[1]	Yes[2]	Yes
Official recruiting costs for faculty and staff positions	Yes[1]	Yes[2]	Yes
University or Departmental Sponsored recognition or reception events	Yes[1]	Yes[2]	Yes
Alcohol, if authorized, for University events	No	No	Yes
Entertainment and related expenses for official functions	Yes[1]	Yes[2]	Yes

Exceptions and/or Explanations:

1. If meets state requirements.
2. As allowed per granting agency or contract agreement.