

December 31, 2002

VICE PROVOSTS, DEANS, UNIVERSITY LIBRARIAN, ASSOCIATE VICE
CHANCELLOR-IST, AND DIRECTORS:

Reimbursement for entertainment expenses incurred in the active conduct of official University business is governed by Business and Finance Bulletin BUS – 79 (<http://www.ucop.edu/ucophome/policies/bfb/bus79.pdf>). The expenditure of funds for entertainment should be cost effective and in accordance with the best use of public funds.

This two-part directive is supplemental to the entertainment policy. It describes applicable entertainment limits and reimbursement procedures for expenses submitted by you to me for approval and for those submitted to you by individuals in your units.

I. Entertainment Limits/Procedures: When You are the Planner/Host

- A. Events that involve only University employees should adhere to the allowable limits set by University policy:

| | |
|--------------------|-------------|
| Breakfast: | \$18/person |
| Lunch: | \$30/person |
| Dinner: | \$45/person |
| Light refreshment: | \$12/person |

- B. Exceptional entertainment expenses related to donor relations, faculty recruitment activities, and invited speakers may be reimbursed up to 50% above the standard limits without the need of prior approval:

| | |
|--------------------|-------------|
| Breakfast: | \$27/person |
| Lunch: | \$45/person |
| Dinner: | \$68/person |
| Light refreshment: | \$18/person |

- The request for reimbursement of such expenses must include a written justification as to why the higher costs were unavoidable and necessary to achieve a valid University business need.

- C. Exceptional entertainment expenses that are more than 50% above the standard limit require prior approval:

- The request for reimbursement must include a written justification as to why the higher costs are unavoidable and necessary to achieve a valid University business need.
- For catered events (i.e., meals not hosted in restaurants), bids from at least two caterers should be included.
- Particular attention will be paid to the principles enunciated in Section VI, paragraphs D (Exceptional Expenses) and E (Tax Considerations) of BUS -79.

II. Entertainment Limits/Procedures: When You are the Reviewer/Approver

A. Events that involve only University employees should adhere to the allowable limits set by University policy:

| | |
|--------------------|-------------|
| Breakfast: | \$18/person |
| Lunch: | \$30/person |
| Dinner: | \$45/person |
| Light refreshment: | \$12/person |

B. Exceptional entertainment expenses related to donor relations, faculty recruitment activities, and invited speakers may be reimbursed up to 50% above the standard limits, subject to your approval:

| | |
|--------------------|-------------|
| Breakfast: | \$27/person |
| Lunch: | \$45/person |
| Dinner: | \$68/person |
| Light refreshment: | \$18/person |

- The request for reimbursement must include a written justification as to why the higher costs were unavoidable and necessary to achieve a valid University business need.

C. Exceptional entertainment expenses that are more than 50% above the standard limit require your and my prior approvals:

- The request for reimbursement must include a written justification as to why the higher costs are unavoidable and necessary to achieve a valid University business need.
- For catered events, bids from at least two caterers should be included.
- Particular attention will be paid to the principles enunciated in Section VI, paragraphs D (Exceptional Expenses) and E (Tax Considerations) of BUS -79.

This directive is effective January 1, 2003.

Paul R. Gray
Executive Vice Chancellor &
Provost

cc: Assistant Vice Chancellor Brown, Controller
Director of Audit Siri
Disbursements Manager Lawrence

