



Administrative Procedure

Number: 209
Effective
Supercedes: 04/13/00 (Interim)
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Subject: HOSPITALITY, PAYMENT OR REIMBURSEMENT OF EXPENSES

1.0. PURPOSE:

To establish the policy and procedure related to hospitality, payment or reimbursement of expenses, in accordance with the Chancellor's Executive Order 761. The University and its recognized auxiliaries must comply with this policy and procedures, as applicable to their organizations.

2.0. ORGANIZATIONS AFFECTED:

All organizational units of the University, including Auxiliary organizations.

3.0. REFERENCES:

- 3.1. Executive Order 761 – Hospitality, Payment or Reimbursement of Expenses.
- 3.2. California Code of Regulations, Title 5, Division 5, California Code of Regulations; Sections 41600 and 41601.
- 3.3. California Education Code Sections 66600, 89030, 89035, and 89044.
- 3.4. HR 96-11.
- 3.5. Cal State L.A. Administrative Procedure, Subject: Use of Alcoholic Beverages on Campus (019).
- 3.6. Cal State L.A. Administrative Procedure, Subject: Use of Facilities and Equipment (505).

4.0. POLICY:

Hospitality expenses may be paid with university funds or auxiliary funds as applicable, to the extent that the purchase and use of these services and items are consistent with the mission and fiduciary responsibilities of the university and its auxiliary. This policy applies to activities that promote the university and its auxiliaries to the public and the provision of hospitality in connection with official university or auxiliary business and specifies the university and auxiliary funds that may be used for such purposes. (Appendix 8.1.)

Approved:

Date:

4.1. Allowable Expenses and Occasions

- 4.1.1. Hospitality expenses must be directly related to, or associated with, the active conduct of official university or auxiliary business. When a university or auxiliary employee acts as an official host, the occasion must, in the best judgment of the approving authority, serve a clear university or auxiliary business purpose, with no personal benefit derived by the official host or other university or auxiliary employees. In addition, the expenditure of funds for hospitality should be cost effective and in accordance with the best use of public funds.
- 4.1.2. Hospitality expenses, including awards and gifts, must conform to IRS regulations. When determining whether a hospitality expense is appropriate, the approving authority must evaluate the importance of the event in terms of the costs that will be incurred, the benefits to be derived from such an expense, the availability of funds, and any alternatives that would be equally effective in accomplishing the desired objectives.
- 4.1.3. Following are examples of occasions when the provision of hospitality is permitted:
- When the university or auxiliary hosts official guests, including university or auxiliary employees visiting from another work location, donors, and prospective donors;
 - When the university or auxiliary is the host or sponsor of a meeting of a learned society or organization;
 - When the university or auxiliary is the host or sponsor of meetings of an administrative nature that are directly concerned with the welfare of the university and the provision of hospitality is a necessary and integral part of the business meeting and not solely a matter of personal convenience;
 - When the university or auxiliary hosts receptions held in connection with conferences, meetings of a learned society or organization, fundraising events, meetings of student organizations and groups, student events such as commencement exercises, and meetings of other university related groups such as alumni organizations;
 - When the university hosts receptions for the benefit of employee morale, employee recognition or length of service awards or retirement presentations.

- 4.1.4. Payment of or reimbursement for hospitality expenses are not permitted when these expenses are related to employee birthdays, weddings, funerals, anniversaries, and farewell gatherings that are not related to the active conduct of official university or auxiliary business.

4.2. Funding Sources

- 4.2.1. Hospitality expenses may be paid from various university fund sources, subject to the rules outlined below and the restrictions identified in Appendix 8.1. There are three types of funds available for the payment of hospitality expenses, General Fund Appropriations, Special Funds, and Auxiliary Organization Funds.

4.2.1.1. General Fund Appropriations

The following restrictions, in addition to those identified in Appendix 8.1., apply to the use of General Fund Appropriations:

- General Fund Appropriations may not be used to pay for alcoholic beverage or tobacco products, gifts, or awards.
- General Fund Appropriations may not be used to pay for food and beverages for business meetings attended only by employees of the same work location.
- Any expenditure prohibited by statute including the California Budget Act.

4.2.1.2. Special Funds

The following restrictions, in addition to those identified in Appendix 8.1., apply to the use of these Special Funds:

- Special Funds may be used to pay for alcoholic beverages, tobacco products, gifts, and awards to the extent these purchases are not restricted by other applicable laws, regulations, or agreements.
- Special Funds may be used to pay for food and beverages for business meetings attended only by employees of the same work location.

- Trust Funds and Special Project Funds may be used to pay hospitality expenses only to the extent permitted by the statute under which the funds are established and maintained and any trust agreement or special project agreement.
- Federal or local government contract and grant funds may be used to pay hospitality costs only if such expenses are specifically authorized in the contract or grant, or by agency policy, and only to the extent and for the purpose authorized. In the event of a conflict between agency and university policy, the stricter of the two policies shall apply.
- No alcoholic beverage or tobacco products may be charged to Federal funds.

4.2.1.3. Auxiliary Organization Funds

Auxiliary Organization Funds may be used to fund hospitality but only within the restrictions established by the auxiliary organization.

Expenses for alcoholic beverages, tobacco products, gifts, and awards may be charged to Auxiliary Organization Funds subject to the policies and restrictions established by this policy and the auxiliary organization.

4.3. Approval of Transactions

- 4.3.1. Individuals with approving authority will not approve their own hospitality expense.
- 4.3.2. Expense claimants will not approve their supervisor's hospitality expenses.

5.0. DEFINITIONS:

- 5.1. Approving Authority—President, Vice Presidents, or Chief Fiscal Officer to whom authority has been delegated to approve the holding of hospitality events.
- 5.2. Auxiliary Organization Funds--Funds held by a recognized auxiliary organization.
- 5.3. Award--A gift of tangible personal property in recognition of service or achievement directly benefiting the university.
- 5.4. Department Administrator--A person to whom authority has been delegated to approve expenses in accordance with university or auxiliary policy.

- 5.5. Expense Claimant--Person who has requested either reimbursement for expenses or submitted a claim for payment.
- 5.6. General Fund Appropriations--Funds approved to the university by the state legislature for support expenditures of the university.
- 5.7. Gift--Something of value given or bestowed upon an individual, group, or entity with the expectation of benefit accruing to the university.
- 5.8. Hospitality--The provision of meals (catered or restaurant) or light refreshments (beverages, hors d'oeuvres, pastries, cookies, etc.) promotional materials, gifts, and travel expenses of official guests of the university. Hospitality includes expenses for activities that promote the university and auxiliaries to the public, usually with the expectation of benefits accruing directly or indirectly to the university and may include the provision of gifts, awards, and promotional materials.
- 5.9. Official Guest--A person invited by an official host to attend a university or auxiliary meeting, conference, reception, or event. Examples of official guests include employees from another work location, members of the community, or media representatives. Employees of the university or auxiliary from the same work location are not considered official guests.
- 5.10. Official Host--A university or auxiliary employee who hosts a meeting, conference, or event.
- 5.11. Promotional Materials--A gift of tangible personal property that is distributed to promote the name or image of the university or auxiliary, to provide information, or enhance university productivity. Promotional items are of minor value and bear the logo or other icon or information identifying the university or auxiliary, such as a pen, folder, calendar, or clothing.
- 5.12. Special Funds--Funds authorized for support of activities that are supplemental to the primary mission of the university or auxiliary and are paid for by fees and revenues other than general tax revenues. Special funds include, among others, Reimbursed Programs, Continuing Education Revenue Funds, Lottery Education Funds, Auxiliary Enterprise Funds, Trust Funds, and Special Project Funds.
- 5.13. Work Location--The place where the major portion of an employee's working time is spent or the place to which the employee returns during working hours upon completion of special assignments.

6.0. RESPONSIBILITIES:

6.1. Expense Claimant will:

- 6.1.1. Obtain permission from the approving authority to hold hospitality events. This request must be submitted on the Request to Hold Hospitality Event form (Appendix 8.2.).
- 6.1.2. Specify the source of funds to be used on the Request to Hold Hospitality Event form.
- 6.1.3. Process payment for hospitality expense through the procurement card, if the procurement card is set up to process hospitality payments (see section 6.2.).
- 6.1.4. Complete and submit a purchase requisition to the Procurement Office if payment cannot be processed per section 6.1.3. Attach a copy of the Request to Hold Hospitality Event form.
- 6.1.5. Reserve university facilities as outlined in Administrative Procedure 505, Use of Facilities and Equipment, if applicable.
- 6.1.6. Complete Temporary Food Facility Permit (Appendix 8.4.) and refer to the Temporary Food Facility Guidelines (Appendix 8.5.) when using an outside food vendor/caterer.
- 6.1.7. Complete Request to Serve Alcoholic Beverages form (Appendix 8.3.), if applicable.

6.2. Procurement Card Holders will:

- 6.2.1. Obtain prior permission from department administrators to use their procurement card for hospitality payment purposes.
- 6.2.2. Ensure in advance that the hospitality claim will be in conformance with the hospitality policy.
- 6.2.3. Process payment through the procurement card if the card has been set to allow hospitality payments.
 - 6.2.3.1. If the procurement card is used as the payment vehicle, a copy of the Request to Hold Hospitality Event form also must be kept on file for reconciliation purposes.
- 6.2.4. Reconcile procurement card monthly statements pertaining to hospitality payments.

6.2.5. Forward per procurement card program guidelines, all signed monthly procurement card statements with the Request to Hold Hospitality Event forms.

6.3. Procurement Office will:

6.3.1. Ensure that all purchase requisitions for hospitality events are accompanied by the Request to Hold Hospitality Event form.

6.3.2. Review all procurement card payments for conformance to hospitality policy.

6.3.3. Review all purchase orders for conformance to hospitality policy.

6.4. Environmental Health and Safety Office will:

6.4.1. Review and approve or deny all Temporary Food Facility Permits.

6.5. Department Administrators will:

6.5.1. Ensure that requests for reimbursement/payment and or purchase requisitions for hospitality events are accompanied by the Request to Hold Hospitality Event form prior to approval.

6.5.2. Ensure that reimbursement/payment claims are legitimate and include proper documentation.

6.5.3. Forward the Request to Hold Hospitality Event form to appropriate approving authority.

6.6. Approving Authority will:

6.6.1. Review and approve or deny the Request to Hold Hospitality Event form.

6.6.2. Notify the person or organization of the disposition of the request.

7.0. PROCEDURES:

7.1. All Requests to Hold Hospitality Event forms must be submitted to the appropriate Vice President no later than 10 working days prior to the proposed event.

7.1.1. Requests from the Vice Presidents should be submitted to the President.

7.1.2. Requests from the President should be submitted to the Chief Fiscal Officer.

- 7.2. The President, Vice Presidents, and Chief Fiscal Officer are designated as approving authorities, and as such will either approve or deny the Request to Hold Hospitality Event form.
- 7.3. Expense claimants will:
 - 7.3.1. Complete all necessary paperwork prior to the event.
 - 7.3.2. Ensure that all hospitality related claims are in conformance with the hospitality policy.
 - 7.3.3. Submit hospitality expenses on the proper expense claim forms.
- 7.4. Department administrators will review hospitality expenses for conformance to the hospitality policy and approve payments.
- 8.0. APPENDICES:
 - 8.1. Funding Sources for Payment of Hospitality Expenses.
 - 8.2. Request to Hold Hospitality Event form.
 - 8.3. Request to Serve Alcoholic Beverages form.
 - 8.4. Temporary Food Facility Permit form.
 - 8.5. Temporary Food Facility Guidelines

Appendix 8.1.

Funding Sources For Payment of Hospitality Expenses

Hospitality Expenses	General Fund Appropriations	Special Funds	Auxiliary Organization Funds
Food and Beverages (other than Alcoholic Beverages) for Meetings Attended Only by Employees of the Same Work Location	No	Yes	Yes
Food and Beverages (other than Alcoholic Beverages) for Meetings Attended By Official Guests	Yes	Yes	Yes
Alcoholic Beverages and Tobacco Products	No	Yes	Yes
Gifts	No	Yes	Yes
Awards	No	Yes	Yes
Promotional Items	Yes	Yes	Yes
Travel	Yes	Yes	Yes



**CALIFORNIA STATE UNIVERSITY, LOS ANGELES
REQUEST TO SERVE ALCOHOLIC BEVERAGES**

Application must be submitted to AVP/FS (ADM 514) for approval at least 10 working days prior to the event's date. In order to expedite the process, please answer all questions and print clearly:

Date Submitted: _____

1. Type of Organization

On-Campus Organization Off-Campus Organization Individual Student Faculty Staff

2. Organization/Individual Holding Event

Organization Name: _____

Nature of Organization (Social, Athletic, Academic, etc.): _____

Contact Person: _____

Department: _____

Phone No.: _____ (between 8:00 am to 5:00 pm M-F) () Fax No.: _____ ()

Type of Event: _____ Date: _____ From: _____ To: _____

Location of Event: _____

Address: _____

3. Person in Charge of the Organization

Name: _____

Department: _____

Phone No.: _____ () Fax No.: _____ ()
(between 8:00 am to 5:00 pm M-F)

4. On-Campus Sponsor/Advisor

Full Name: _____ Will he/she be attending the event: _____

Department: _____ Phone No.: _____ () Fax No.: _____ ()
(between 8:00 am to 5:00 pm M-F)

5. Beverage(s) to be Served: *

Type of beverage(s) to be served: _____

Will beverages be sold or complimentary? _____ If sold, vendor's name? _____

CA Liquor License Number: _____ Expiration date: _____

If alcoholic drinks are complimentary, state source of funds to purchase beverage(s): _____

*Please note: Non-alcoholic beverages must be available at this event.



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REQUEST TO SERVE ALCOHOLIC BEVERAGES

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Please answer all questions.

1. Number of expected attendees at this event? _____

2. Maximum number of occupants allowed at the location? _____
3. How will the number of guests be monitored to ensure that the maximum occupant rate is not exceeded? (i.e. *Guest by invitation only*)

4. Are all expected guests over 21 years old?
_____ *If not, identifications must be checked and guests over 21 years old must be clearly identified to avoid serving alcoholic beverages to minors (i.e., 21 years old and over guests will be given wristband)*
5. How will identification be checked?

6. Events providing complimentary alcoholic beverages, is bartender licensed? _____
 - 6a. If so, provide name, CA liquor license number and expiration date. _____

 - 6b. If not licensed, specify name and age of person/s serving alcoholic beverages (*Must be 21 years old or older*). _____

7. Will food be available? (*It is recommended that food is available.*) _____

8. Will hired security be available? _____

9. Has campus police been notified of the event? (*If not, they must be notified*) _____

10. Alcoholic beverages will be served _____ (am/pm) to _____ am/pm).
from _____
For events ending after midnight, alcohol service should discontinue one hour prior to the conclusion of the event.

I have read Administrative Procedure 019 regarding the Use of Alcoholic Beverages on Campus and hereby agree to abide by the provisions stated therein. Also, I agree to comply with all local, State, and Federal laws including those governing alcoholic service, consumption, and intoxication.

Note: Under California law, both the host and the beverage server are responsible for monitoring alcoholic intoxication.

Representative's Name (print)

Title

Signature

.....
OFFICE USE ONLY: Request Received on: _____ **Agreement Faxed on:** _____ **Notified on:** _____

Associate Vice President for Administration & Finance: _____ *Date:* _____

Approval Granted: _____ **Approval Denied:** _____

