

System-wide Policy:	
FI0715 - Entertainment, Group Arranged Events, Food and Housing Purchases for UT Sponsored Conferences and Seminars	
Version: 16	Effective Date: 09/14/2018

FI0715 -Entertainment, Group Arranged Events, Food and Housing Purchases for UT Sponsored Conferences and Seminars

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Objective:

To provide policies and procedures for the payment and reimbursement of expenses for Entertainment, Group Arranged Events, and Food Expenses for UT Sponsored Conferences and Seminars.

Policy:

General Policy

1. The university may pay for expenses related to group arranged events, entertainment, or UT sponsored conferences and seminars provided the following criteria are met:
 - The event is appropriate in the conduct of official university business.
 - The expenses per person are prudent and reasonable.
 - The event is appropriately approved as required by this policy. See item 8.
 - Documentation is obtained to support the expenses.
2. When alcoholic beverages are part of entertainment events (events include any meal reimbursement other than the standard per diem claim), the cost, including tax, of

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alcoholic beverages must always be separately identifiable on the receipts and supporting documentation and charged to an appropriate restricted account. Costs of alcoholic beverages are not permitted on federally sponsored grants and contracts.

3. Gratuities are a reimbursable expense and should be based upon the level of service, but should not exceed twenty percent of the total including tax. Special situations that may warrant exceeding twenty percent must be processed as an exception.
4. On occasions where spouses of university employees are expected to attend university meetings or events, the university will provide reimbursement for the spouse's expenses in accordance with university policy. Examples of such occasions would include development and alumni events, job interviews where the applicant's spouse attends and similar events where the spouses for guests, donors or friends are in attendance.

Definitions

5. **Group Arranged Events** are defined as those hospitality events hosted for primarily University faculty, staff and students. These include banquets, retreats, receptions (non-retiree employee receptions require prior approval from the campus CBO), employee relations council meetings, employee picnics, service award recognition events, and other group meetings including prior approved sponsored project meetings as allowed under OMB 2 CFR 200.438. Box lunches, refreshments or similar inexpensive meals may also be provided for pre-planned group working meetings. These are typically more efficient than breaking and reconvening. All cost (meals, refreshments, supplies, equipment rental, etc) must be charged to General Ledger Code 446200.
6. **Food and Housing Expenses arranged for UT-Sponsored Conferences and Seminar** is defined as all food costs associated with meals, breaks or receptions for conference-type events sponsored by the University, room rentals and housing arranged for conference participants and speakers. Fees are typically collected by the University from external parties to cover these costs. Events would include, but are not limited to, training provided through a conference center, the Institutes for Public Service or Agriculture, a sponsored grant or other event in which funding is provided to the University to conduct training. This is considered a cost of the event and these are not

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entertainment expenses. These costs should be charged to General Ledger Code 449300.

- Entertainment** is defined as those hospitality events hosted by the University for non-employees. These include, but are not limited to, donor events, employee candidates, hosting speakers, hosting and/or recruiting students, and refreshments for volunteers, awards. All non-travel costs (meals, refreshments, rentals, supplies, tickets, etc.) must be charged to General Ledger Code 449200. The appropriate travel general ledger code must be used if any of the participants are in travel status for travel related expenses that are not entertainment. **Entertainment is not permitted on federally sponsored grants and contracts.** However, in very rare instances as part of an award, this type of cost can be allowed with prior written approval from the sponsor and the campus business office.

Approvals

- Department heads may approve expenditures for group-arranged events or entertainment expenses up to \$1,000 per function.
- Chief Business Officers or designee must approve expenditures for group arranged events or entertainment expenses for amounts above \$1,000. The business officers may develop a pre-approval process. Requiring approval before expenses are incurred should prevent requests for unallowable items after they have been procured.
- Entertainment or group-arranged events that exceed \$100 per person also require approval from the campus business officer or designee.
- The university's procurement card may be used for group-arranged events and entertainment expenses up to \$1,000 per function, subject to the payment and approval requirements noted below. For campuses with pre-approval processes, the procurement card may be used for items exceeding \$1,000, but less than \$10,000, and that have been pre-approved in writing by the campus/institute business office. (See [FI0530 - Procurement Cards.](#))

NOTE: some vendors may not be able to accept the card since it is blocked at restaurants, hotels, and other travel related vendors.

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12. The approval thresholds are based on the total anticipated cost of the event and not the cost of each expenditure.
13. Food expenses associated with UT sponsored conferences and seminars are subject to the normal procurement approval processes and not the approval processes noted in this section. Consult with your campus purchasing office for additional guidance.

Payment

14. The expenses for entertainment and group arranged events may be paid in the following manner:
 - An invoice may be addressed to "The University of Tennessee" and sent to the attention of the employee or department hosting the function. The invoice should be entered into IRIS and coded with the correct G/L number from above. This will result in the invoice being properly routed for approval.
 - Employees who are billed and pay for authorized expenses may request reimbursement in the following manners:
 - The expenses may be submitted through petty cash in accordance with this policy and their campus guidelines (See [FI0525 - Petty Cash.](#))
 - Employees who incur expenses while in travel status can be reimbursed by processing a TRAVEL EXPENSE REPORT in accordance with normal travel reimbursement procedures. Expenses should be coded with the correct G/L code to ensure they are properly routed for approval.
15. The vendor (restaurant, caterer, ticket office, etc.) receipt, invoice or statement must include the following:
 - The purpose of the function.
 - Date of the function.
 - Number of individuals being entertained.
 - The number of individuals and date of function are not required on invoices related to items maintained for guests and visitors, e.g., coffee, soft drinks, and bottled water.

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- For groups less than 15, the names of attendees should be listed. For large groups the estimated number of attendees may be used if the actual number is unknown.
 - Average price per person, including beverages and tips. For large groups the estimated number may be used for this calculation if the actual number is not known.
 - Total amount due.
 - The cost center or WBS element and general ledger account to be charged.
 - Itemization of all expenses including alcohol.
16. Tennessee sales tax should not be included on invoices addressed to the university, since the university is exempt from paying this tax.

Prohibited Items

17. The Tennessee Civil Rights Act of 1990 prohibits official university activities in locations, establishments, or commercial facilities that do not grant full access or membership rights and privileges to individuals based on sex, race, creed, color, religion, ancestry, national origin, or disability. No university funds may be paid to such facilities and university employees may not be reimbursed for using these facilities. Before arranging to use a facility, university departments must ascertain that no such discriminatory practices exist.

FORMS:

- [T-44 Petty Cash Reimbursement](#)

PROCEDURES:

Knoxville:	budget.utk.edu/fiscal-policy/
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Health Science Center:	https://uthsc.policymedical.net/policymed/home/index?ID=de47aa28-16aa-408b-9c96-cb04f232964f&
Institute of Agriculture:	ag.tennessee.edu/Pages/UTIApolicies.aspx
Martin:	utm.edu/departments/finadmin/procedures.php

FOR MORE INFORMATION:

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Related Policies: [FI0530 - Procurement Cards](#), [FI0720 - Retirement Receptions](#)