

Entertainment Policies and Guidelines

Business meals and entertainment expenses must support an underlying University business purpose and the expense must be properly authorized.

Allowance – limit cost per person including tax, delivery charges, tip, and other labor or service fees. Tip may not exceed 20%

- Breakfast: \$27.00
- Lunch: \$47.00
- Dinner: \$81.00
- Light refreshment: \$19.00

Reporting

- All entertainment expenses must be submitted within 21 days
- In addition to an itemized receipt, the following details are required:
 - Business justification, such as the research topic that was discussed
 - A list of attendees, their titles, and affiliation (e.g., Joe Bruin, Program Coordinator, USC)
- Costs for persons in attendance who are not necessary to University business will not be reimbursed

Proof of Payment:

- Original, itemized receipts are required for all reimbursements and expenses. All receipts must show: 1) the date; 2) itemized order; 3) total cost; 4) method of payment

Entertainment Policies:

- The University will not pay for or reimbursed costs for meals taken with individual colleagues at the same work location unless the participants were able to accomplish business purpose during work hours
- University policy requires that meals or light refreshments provided in the course of a business meeting must be a necessary and integral part of the business meeting, not a matter of personal convenience
- Meals and light refreshments that are provided on a frequent or routine basis are treated by the IRS as taxable income and therefore are not reimbursable under University policy
 - Meals should be limited to no more than once a month or twelve times per year, per group
 - Light refreshments should be limited to no more than twice per month, per group
- Meals or light refreshments provided to a group should be counted on an event basis, e.g., a two-day meeting should be counted as one event in determining compliance with these guidelines.

- No reimbursement may be made to or delivered for distribution to any individual who was involved in either the approval or payment preparation process, unless an exception has been made in writing by an authorized official.

Funding Source Restrictions

- State: expenses which require additional approval or are an exception may not be charged to state funds
- Contract and grant funding: federal or local government contract and grant funds may be used only as specifically authorized in the contract or grant budget or by agency policy, and only to the extent and for the purpose so authorized
 - When there is a conflict between agency and University policy, the more restrictive of the two shall apply

Additional information can be found on Policy [BUS-79, Expenditures for Business Meetings, Entertainment, and Other Occasions](#).