

**UNIVERSITY of NORTH DAKOTA
FINANCE & OPERATIONS POLICY LIBRARY**

FOOD AND BEVERAGE PURCHASE APPROVAL

Section 2, Finance
Policy 2.5, Food and Beverage Purchase Approval
Responsible Executive: VP Finance & Operations
Responsible Office: Accounting Services
Issued: October 22, 2003
Latest Review / Revision: January 12, 2009



POLICY STATEMENT

UND employees should pay for their own meals in the community in which they are employed as required under [SBHE 806.1](#) and [NDCC 44-08-04](#), except as otherwise noted within this policy. This does not change payment or reimbursement of employee travel expenses, including per diem rates, governed by NDCC 44-08-04.

REASON FOR POLICY

To define the exceptions for UND employees paying for their own meals in the community in which they are employed, and to ensure compliance with SBHE 806.1 and NDCC 44-08-04.

SCOPE OF POLICY

This policy applies to all members of the University community and should be read by:

- | | |
|---------------------------------------|-----------------|
| ✓ President | ✓ Faculty |
| ✓ Vice Presidents | ✓ All Employees |
| ✓ Deans, Directors & Department Heads | Students |
| ✓ Area Managers & Supervisors | Others _____ |

WEB SITE REFERENCES

This policy: <http://www.und.edu/dept/policyoffice/html/finance.html>
Policy Office: <http://www.und.edu/dept/policyoffice>
Vice President for Finance & Operations: www.und.edu/dept/vpfo

CONTENTS

Policy Statement	1
Reason for Policy	1
Scope of Policy	1
Web Site References	1
Related Information	3
Contacts	3
Definitions	3
Principles (overview)	4
Procedures	5
Allowable Food and Beverage Purchases	5
Food and Beverage Purchases with Grants and Contracts Funds	5
Campus Catering Agreement	5
Responsibilities	6
Forms	6
Appendices (list)	6
Appendix 1 – Examples of Allowable Food and Beverage Purchases	7
Revision Record	6

RELATED INFORMATION

Campus Catering / Dining Services	http://www.housing.und.edu/dining/catering
Grants and Contracts Administration	http://www.und.edu/dept/undgca
North Dakota Century Code 44-08-04	http://www.legis.nd.gov/cencode/t44c08.pdf
SBHE Policy 806.1	http://www.ndus.edu/policies/sbhe-policies/policy.asp?ref=2275

CONTACTS

General questions about this policy can be answered by your department's administrative office. Specific questions should be directed to the following:

Subject	Contact	Telephone	E-Mail / Web Address
Campus Catering Agreement	Dining Services	(701) 777-2256	http://www.housing.und.edu/dining/catering
Grants and Contracts Funds	Grants and Contracts	(701) 777-4151	http://www.und.edu/dept/undgca
Policy Clarification	Accounting Services	(701) 777-2968	allisonpeyton@mail.und.edu http://www.und.edu/dept/accounts
Policy Content/Format	Accounting Services	(701) 777-2968	allisonpeyton@mail.und.edu http://www.und.edu/dept/accounts

DEFINITIONS

Campus Catering Agreement	A request/agreement made between an employee/department and Dining Services for catering services including details such as: type of function, location, date, meal served, number of attendees, contact information, and billing information.
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PRINCIPLES

OVERVIEW – UND employees should pay for their own meals in the community in which they are employed as required under [SBHE 806.1](#) and [NDCC 44-08-04](#), except as otherwise noted within this policy. This does not change payment or reimbursement of employee travel expenses, including per diem rates, governed by NDCC 44-08-04.

The University may host business related functions, or the employee may attend a business related function hosted by another entity, for which the University will pay for if an employee is required to attend by his/her supervisor/employer. Food and beverage expenses must be reasonable, moderate, withstand the test of public scrutiny, and not personally benefit University officials and employees.

If a function is to be paid from a grant or contract fund, the Grants and Contracts Office should be contacted prior to making the arrangements to determine if food and beverages are allowable on the fund.

PROCEDURES

Allowable Food and Beverage Purchases

Employees must pay for their own meals in the community in which they are employed. Exceptions are as follows and may not apply to Grants and Contracts funding (40000-49999):

- The University of North Dakota may host conferences, seminars, or business related meetings or the employee may attend a business related function hosted by another entity. The primary purpose must be business related and the employee must have been required to attend by his/her supervisor/employer. The University may also pay expenses of coffee or non-alcoholic beverages and snacks for institutional meetings or other employee functions. The event may or may not be held in the same community in which the employee lives.

When departments pay the expenses for these functions, the rate should be reasonable and moderate. All food and beverage expenses must withstand the test of public scrutiny. As a public institution, the University must demonstrate the prudent use of funds entrusted to it by its various constituencies. The general public, legislators, students, donors, and granted organizations and individuals must be assured that funds are wisely spent and do not personally benefit University officials and employees.

Food and Beverage Purchases with Grants and Contracts Funds

If a function is to be paid from a grant or contract fund, the appropriate Grants and Contracts Officer should be contacted **prior to making the arrangements** to discuss whether food and beverage purchases are allowable on the grant or contract fund. Federal awards are more restrictive and normally do not allow food, although some agreements may for a conference, symposium, or seminar.

Criteria to determine whether food and beverage purchases are allowable on a grant or contract fund:

- Who is the sponsor of the agreement?
- How restrictive are the terms and conditions of the agreement?
- How does the food/beverage purchase directly benefit the project?
- Was food/beverage provided for in the proposal budget and budget justification?
- What is the nature of the project?

Campus Catering Agreement

The Campus Catering Agreement will be completed at the time the function is booked at Dining Services. The department will be required to provide all necessary information as indicated below. After the function has been held, Dining Services will initiate a Journal Entry to charge the departmental fund indicated on the Campus Catering Agreement. For further information on booking a UND catered event, see the [Dining Services website](#).

The department is responsible for ensuring the function is allowable. If a department is unsure, Accounting Services should be contacted for clarification prior to making arrangements for the function. See Appendix 1, Examples of Allowable Food and Beverage Purchases, for additional helpful information.

The following information is required for the Campus Catering Agreement, or on the Voucher for those functions not catered by Dining Services:

- Type of function and purpose
- Location of function (city and state)
- Date of function
- Meal serviced (breakfast, lunch, dinner, break)
- Number of actual or guaranteed attendees
- List of those attending (specify those that are UND employees and those that are not)
- Itemized original receipt/invoice for functions **not** catered through Dining Services. A receipt is needed to show what was charged, and a receipt is also needed showing proof of payment (if not shown on the itemized receipt).

RESPONSIBILITIES

Accounting Services	<ul style="list-style-type: none"> ▪ Process Vouchers for those functions not catered by Dining Services. ▪ Process Journal Entries for those functions catered by Dining Services.
Campus Catering/ Dining Services	<ul style="list-style-type: none"> ▪ Initiate a Journal Entry to charge a departmental fund as indicated on a Campus Catering Agreement.
Grants and Contracts Administration	<ul style="list-style-type: none"> ▪ Corresponds with employee/department if food/beverages are allowed to be paid from a grant or contract fund.
UND Employee/Department	<ul style="list-style-type: none"> ▪ Responsible for paying for their own meal in the community in which they are employed, except as stated in the above procedures. ▪ Must contact Grants and Contracts Administration to verify if a function is to be paid from a grant or contract fund. ▪ Must complete the Campus Catering Agreement at the time a function is booked (or Voucher for those functions not catered by Dining Services).

FORMS

Campus Catering Agreement	http://www.housing.und.edu/dining/catering
Voucher	http://www.und.edu/dept/accounts/forms.html

APPENDICES

Appendix 1 – Examples of Allowable Food and Beverage Purchases	Attached
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REVISION RECORD

10.22.03 – Policy Issued
 10.30.08 – Policy conversion to new format and revision
 01.12.09 – Revision

APPENDIX 1 – EXAMPLES OF ALLOWABLE FOOD AND BEVERAGE PURCHASES

FUNCTION	CLARIFICATION
Recruitment of faculty and staff	Staff members may be reimbursed for meal expenses incurred in the city where they are employed while recruiting staff and faculty. The expenses for the candidate’s spouse/guest and the spouse/guest of the institutional host(s) are allowable.
Business-related functions	The employee must be required to attend and approved by his/her supervisor/employer.
Retreats	Purchases of food and beverage are allowable for retreats.
Departmental activities, including departmental staff meetings	Purchases of food and beverage are not allowable for departmental activities, including coffee breaks, and periodic departmental staff meetings within one department.
Staff meetings involving multiple departments	Purchases of food and beverage are allowable for staff meetings involving multiple departments.
Employee functions	Expenses associated with hosting receptions, and employee recognition functions (open to entire campus) are allowed. Purchases of food and beverage for departmental entertainment (i.e. employee reception that is not a campus-wide function, holiday parties, etc.) are not allowed .
Alcoholic beverages	Alcoholic beverages are not to be paid for from institutional funds regardless of the source of funds.
Spouses/Guests of employees/non-employees	Purchases of food and beverage for spouses or guests of employees/non-employees are not allowable, except when the purpose is for recruitment. Expenses may be paid for the candidates spouse/guest and the spouse/guest of the institutional host(s). Purchases of food and beverages are allowable for the President’s spouse when they are an official representative of the University.