


## COMPTROLLER POLICY MANUAL

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	Responsible office: Comptroller
	Origination date: 01/01/2000
<b>Subject: Business Meals</b>	Effective date: 07/22/2004
	Revision date: 02/09/2016

### PURPOSE

Guidelines for business meals.

### SOURCE

University policy

### APPLICABILITY

This policy covers all expenditures made for business meals.

### POLICY

#### **CMP 420-04: Business Meals**

Expenditures for business meals, food, and related expenses must be paid from the following sources:

1. unrestricted gift departments,
2. conference, seminar, and workshop departments,
3. other local departments when the business meals, food, and related expenses/expenditures are consistent with the purpose of the departments.

Meals and nonalcoholic beverages should generally cost \$40 or less per person. For meals and nonalcoholic beverages costing more than \$40 per person, special approvals are required. If the meal cost is anticipated to be more than \$40 per person, then the needed approval (see approvals below) should be obtained prior to the meal. (Alcoholic beverages may not be paid for with university funds from any source under any circumstances.)

Since business meals, food and related expenditures are often not appropriate on grants and contracts, confer with your grants and contract services administrator before making any commitment of funds for this purpose. Business meals, food, and related expenses cannot be charged to grants or contract departments, unless specifically authorized by the grant or contract.

**State funds cannot be used to pay for business meals, food, and related expenses, regardless of the purpose.**

Standard business practice dictates, and the university's internal and external auditors require, certain specified documentation for business meals, food, and related expenditures. For this reason, the Food Purchase form must be completed for every food expenditure, regardless of the dollar amount. It is

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important that the public purpose being served is adequately documented on the form since public funds are being used. A list of attendees also must be documented on the form. If, however, a large group is present at the event and an attendee list is not available, it is acceptable to state the approximate number in attendance and, if known, mention the related NAU departments of affiliation if non-NAU related.

**PROCEDURE**

Submit [Business Food-Meal Purchase Authorization](#), signed by the Dean, Director, or Chair of the department with the following information:

- List of individuals in attendance
- Business purpose of the meal, restaurant name and address if not supplied
- Certify that no alcoholic beverages were included in total
- Original itemized receipt and copy of the credit card charge slip.

**NOTE: FOOD PURCHASES SHALL NOT BE CHARGED ON STATE ACCOUNTS**

Food purchases are not allowed for the following:

- Staff meetings
- Alcohol of any type
- Faculty/Staff functions (see [CMP 420-02](#), Food and Refreshment Policy)

**TIPS** - Tips will be reimbursed when reasonable. Reasonable amounts are considered to be 15-20% of the meal.

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**APPROVALS**

The Business Meals and Related Expenses Form requires the following approval(s):

<b>Expenditure</b>	<b>Approval Required</b>
Meals and nonalcoholic beverages less than \$40 per person	Authorized department signature or online approval of PV
Meals and nonalcoholic beverages in excess of \$40 per person	Meals and nonalcoholic beverages with appropriate deans or director's signature; if charge incurred by a dean/director, then appropriate provost/vice provost/vice president signature.

**CROSS-REFERENCE**

For more information on allowable food expenditures, see [CMP 401-03](#), Prohibited Transactions and the NAU Food and Refreshment Policy [CMP 420-02](#).