

**Institutional Handbook of Operating Procedures
Policy 04.04.02**

Section: Fiscal Policies	Responsible Vice President: Executive Vice President of Business and Finance
Subject: Accounting, General	Responsible Entity: Finance

I. Title

Official Function Expenditures

II. Policy

All requests for official function expenditures must include

1. The names of individuals present at the function and their institutional affiliations;
2. The purpose of the function;
3. The UTMB business topic(s) discussed or comments regarding the benefit the university derived from the event;
4. The date and location of official function, and
5. The original invoice(s) or receipt(s). If the amount for an official function is projected to exceed \$2,500.00; the department must request and obtain pre-approval of the event from the president or appropriate entity leader on the Official Function Approval form.
6. Gratuity expenses related to official functions may not exceed 20% of the total bill.
7. Catering expenses will be processed in accordance with IHOP Policy 2.6.9, Food Services Policy.

III. Hosting Expenditures

- A. Expenses for hosting official guests of the University should be reasonable and appropriate. A description of the type of expenses that may be reimbursed, required approvals, and restrictions are outlined below:

Account	Title	Funding Restriction	Required Forms	Description	Notes
524010	Business Entertainment	No state, service, federal (unless allowed by grantor)	UTMB OFFICIAL FUNCTIONS form if over \$2500. May need WORKSHEET	Expenses incurred for official business functions. Expenses include food, alcohol, and gratuities if included in the bill, and food charged separately to the bill for conferences and meetings.	\$25 breakfast (including tax & tip). \$50 lunch (including tax & tip). \$115 dinner (including tax & tip). 20% gratuity. \$80 resident and student award dinners, departmental holiday parties (including tax & tip). \$115 recruitment dinner (including tax & 20% tip – not to exceed generally accepted standards) If paying restaurants directly, tax must be deducted. If reimbursing employee for restaurant receipt, tax may be reimbursed. Tangible gifts \$100 or less not taxable. All gift cards taxable-must collect names of recipients for payroll. Allowed on non po

- B. These expenditures must be related to one or more of the following purposes:

1. Recognition or promotion of academic achievement, scholarship and/or service to the institution;

2. Promotion or communication of intellectual ideas and/or exchange of administrative and operational information on the institution's programs or activities;
3. Support of institution-sponsored student events and activities;
4. Recruitment of students, faculty, and staff;

- 5. Assistance to the Regents, accrediting agencies, officials from other institutions, etc.; and,
- 6. Support of a program of continuing education.

IV. Reimbursement Guidelines

- A. Employees may obtain reimbursement from departmental discretionary funds for certain expenses incurred in the course of official function activities that directly benefit UTMB. Such reimbursements are subject to specific guidelines and limitations as defined by UTMB.
 - 1. The employee is responsible for obtaining appropriate documentation and authorization of the expenditure as outlined in the Policy statement.
 - 2. Reimbursement for official function expenditures will be made only to employees of UTMB.

- B. Certain restrictions limit the reimbursement of official function expenditures from specific fund accounts. The following restrictions apply:
 - Expenses incurred for alcoholic beverages and other allowable official functions expenditures may be reimbursed from most designated funds. Restricted funds may be used to reimburse expenditures of this kind only if specifically permitted by the terms of administration of the account.

V. Definitions

Official Functions: Events sponsored by a University entity which would include both university and non-university attendees. The purpose would typically be a recognition event.

Business Meals and Employee Functions: Events sponsored by the University that would include University employees engaged in the discussion of University business matters. In some instances, individuals engaged in business with the University may be involved.

VI. Relevant System Policies and Procedures

- [U.T. System Board of Regents’ Rule and Regulations, Rule 20205: Expenditures for Travel and Entertainment by Chief Administrators and for the Maintenance of University Residences](#)
- [U.T. System Board of Regents’ Rules and Regulations, Rule 80102: Alcoholic Beverages](#)
- [U.T. System HOP 2.1.2, Entertainment Expenses and Guidelines on Other Uses of Institutional/Gift Funds](#)

VII. Related UTMB Policies and Procedures

[IHOP Policy 2.6.9, Food Services Policy.](#)

VIII. Dates Approved or Amended

<i>Originated: 4/30/2001</i>	
<i>Reviewed with Changes</i>	<i>Reviewed without Changes</i>
09/02/2011	07/21/2016
02/14/2023	

IX. Contact Information

Accounting – General Accounting

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