Policy Summary: Procurement of Group Meals for Employees, Students, and Official Visitors

Official Institute Policy 5.2.1.9 under revision

Allowable Funding Sources for Purchase of Food and Meals

Institutional funds include all funds to which the Institute holds title, such as student fees, auxiliary revenues, state appropriated funds, and departmental sales/service revenue. The funding source should match the supported program and participants. For example, student activity funds might be used to purchase water for a volunteer event sponsored by a student group. Sponsored funds may be used where specifically permitted in the sponsored agreement. Institutional funds cannot be used to purchase alcohol.

Funds collected by the sponsoring institution for intra-institutional events are normally collected in and expended from an agency account created for that purpose.

Employees with responsibility for administering institutional funds and employees requesting reimbursement from institutional funds should ensure that funds are spent only for legitimate business purposes and not for the personal benefit of the employee or other individuals. The misuse of institutional funds may result in both employment termination and various civil and criminal penalties.

Food purchases and reimbursements for group meals/food should be charged to the 727700 expenditure account, “Special Group Meals.” Payments made to caterers should be charged to 751106- Catering, to ensure compliance with 1099-misc reporting. These accounts will be subject to special audit scrutiny, to ensure that such expenditures are infrequent, rather than routine.

Procedures:

I. Georgia Tech Employee Business and Training Meetings using Institutional Funding

Under certain infrequent circumstances, employees may be required to remain at the work site during mealtime. Such circumstances include emergency situations such as natural disasters or significant public safety events, but may also include intra-departmental meetings or training sessions, where the meeting or training session continues during the meal and the employees are not permitted to leave the premises of the meeting site. The following standards will be used when deciding whether a meal may be purchased under this policy:

• Group meals should be held only to facilitate the effective and efficient operations of the departments involved. For example, it may
be that scheduling an intra-departmental meeting or training session is the most effective and efficient use of employees’ time given teaching schedules, other meeting commitments, etc. In this instance, requiring employees to participate in a meeting over lunch may be the best means available to get the required participants in the same place for the period of time required.

- **Group meals should only be provided in those instances where the meeting lasts for at least four (4) hours.** A meeting less than four hours could generally be scheduled prior to or after a normal meal without significantly impacting employees on different work schedules.

- **Group meals held at the start and/or finish of a meeting are not eligible for payment under this policy.** Purchase of a group meal is authorized solely as a convenience to the employer and in those instances where employees may not leave for a normal meal due to the time constraints associated with the meeting or training session. Those events not starting until the normal meal time should be delayed until after the normal meal time, or employees may bring employee-purchased food (“brown-bag”) to the meeting.

- **Authorized group meal expenditures are limited to the purchase of meals only and do not include snacks.** Purchase of group meals are to be approved by the Director, Department Head, or his/her designee, prior to the date of the event (for non-emergency situations). The Food / Group Meal Event Documentation Form will be used to document event details and ensure compliance with this policy. All of the documents that were a part of the approval process should be submitted with the payment request, or retained with PCard documentation.

- **Meal limits outlined in Georgia Tech Travel Policy, "Meal Allowances", must be followed.** Meal limits apply to the actual food and drink purchased for the meal. Set-up and delivery costs associated with the group meal are allowable and shall not be included in the meal limit calculation.

II. **Food and Group Meals for Students, Volunteers, Visitors, and Participants Using Institutional Funding**

The purpose of this section is to clarify those instances when food may be purchased for consumption by students, potential students, volunteers and employees using institutional funds. Food includes meals, beverages, snacks, etc., but specifically excludes alcohol as an allowable food expense. An individual may be subject to different rules depending on the capacity in which they are participating in an event. For example, volunteers might include
employees or students if the individual is operating in a capacity separate from their employee or student role. An employee or volunteer attending a student event in the capacity of a student would be considered a student. A student worker participating in an event while being paid as an employee would be considered an employee. Note: Employees working additional hours in their own area, using work time to provide volunteer service, or otherwise participating in activities expected of employees, are not volunteers for the purposes of this policy.

III. Business Entertainment Meals and Alcohol Purchases using Agency Fund, Foundation or GTRC funding

Institute related entertainment charges and meals purchased for business development include business related breakfast, lunch or dinner, catered meeting, fund-raising or alumni event, etc. Entertainment, individual professional achievement/milestone receptions, holiday and end-of-year receptions, retirement events, faculty recruitment entertainment and extraordinary development activities must be processed directly through the GT Foundation or GTRC. Business related entertainment charges may only be processed using the funding sources listed below:

- Agency fund accounts (Non-Study Abroad source)
- Routine development activity using Foundation or GTRC funds

Employee business and training meetings are not restricted by the meal per diem limits or the 4 hour minimum meeting length that is required for use of Institutional Funds.

The Food/Group Meal Documentation Form is required for all Pcard and payment requests processed through the Institute’s Accounts Payable.

Alcohol is an allowable expense only if specifically permitted by the funding source or for conference programs that specify receptions in the conference agenda and are funded by participant registration fees, such as the GT Executive Master’s program and conferences.

Link to GT Foundation policy
GTRC policy requires a copy of the invitation or agenda and the number of guests.

IV. Food and Group Meals Using Sponsored Grant/Contract Funding

Sponsored funding will be treated the same as Institutional funding for the purpose of food and group meal purchases.

As the Institute must comply with federal cost accounting standards which require consistency in the treatment of costs, the Institute typically cannot use sponsored funds for business related entertainment since Institute state accounts do not specifically allow the purchase of business related entertainment. Therefore,
discretion must be exercised when charging such expenses to sponsored restricted accounts. As such, the cost of purchased meals or food within 50 miles of the Georgia Tech headquarters will normally not be allowed as a direct charge to a sponsored restricted account because the Georgia Tech employee or trainee is not "traveling" and the cost is normally considered a personal expense. See below for special circumstances.

In special situations such as all day seminars or meetings when a food, beverage, or meal cost meets the three criteria of allowable, allocable and reasonable to the specified sponsored project, the PI may provide written justification of the business purpose of the expenditures and how they relate to the specific sponsored project including purpose of the meeting, list of attendees, a formal written agenda, and the beginning and end times of the meeting. To be allowable:

1. Meal or food expenses must be included in the budget and approved by the sponsor.
2. An agenda must be provided with the request
3. Must specify each participant on the Food/Group Meal Documentation form
4. Must be attended by non-Georgia Tech personnel. Meetings comprised of all Georgia Tech personnel are more often designated as an employee business meeting (See section I of policy).
5. Meal per diem limits are imposed, unless sponsor provides an exception in writing.

Examples of allowable food charges:
Lunch and refreshments provided for periodic all-day meeting of collaborators on a program project (with formal agenda and participants from different locations).
A post-doc being recruited to fill an open position on a research grant. His/Her meal may be charged to the grant since they are on official travel status.
Sponsored projects which specifically allow for business related entertainment, including REU programs

Examples of unallowable food charges:
While these expenses may not be allowable on sponsored restricted accounts, they may be reimbursed from discretionary type restricted accounts or directly from the Georgia Tech Foundation.
Lab personnel meet weekly to discuss progress on the grant
PI has lunch/dinner with a colleague and discusses research
V. Meals and Receptions Provided in Conjunction with Professional Education Conferences and Institute-sponsored Conferences and Camps
Meals and receptions provided for participants of conferences, workshops, and campus events that are funded by registration fees can be paid through the Institute using participant revenue funds if the meals are specifically noted on the conference agenda and/or registration material. Meal per diem limits are not imposed. The source of funds must be primarily external to the Institute. Campus training designed primarily for Georgia Tech employees must comply with the employee business and training meeting policy, section I.

VI. Meals for Employees, Students, and Guests on Official Travel
Employees are on travel status, and eligible for meal reimbursement, according to Institute travel regulations when the employee is more than 50 miles from home/headquarters. See Travel policy 6.4 Meal Allowances for detailed policy and procedures.

VII. Purchase of Bottled water, Coffee/beverage Service, and Office Snacks
Water and other beverages purchased as part of a group meal are allowable, but the cost of the beverage is rolled into the meal per diem limit. Beverage service and office snacks are not classified as group meals. Institute funds cannot be used the purchase of water and beverage service or snacks purchased for general departmental use. An allowable exception is water/hydration products that are used in compliance with OSHA or for safety related to environmental or workplace conditions. If Foundation funds are used, payment can be processed through Accounts Payable and the Food/Group Meal Documentation Form is not required.

Documentation Requirements and Compliance with Per Diem Limits at Group Events
The Food / Group Meal Event Documentation Form is used to provide documentation for all group meal purchases funded with institutional, sponsored, and Foundation funds processed through Accounts Payable or via the Pcard. This form serves to document details of the event, participants, and the approval signature of the department head that is required for employee business meetings using Institutional funds. The original receipt or invoice must accompany all payment requests and/or Pcard documentation.
While the meal per diem limits also apply to group events where food is purchased on a group basis of more than 15 participants (pizza parties, buffets, etc.), departments are not required to document the actual numbers or names of participants; However, an estimate of the number of participants should be noted to certify that the appropriate per diem limits were followed.
In the event that an employee expends funds in excess of the authorized State of Georgia per diem (see "Per diem allowance meals"), then the amount spent in excess is considered a personal expense and is not reimbursable to the employee or payable to the catering vendor.
Meal per diem limits apply only to food purchased with institutional funds. Food purchased by outside organizations does not fall under the scope of this policy.
However, employees must comply with the provisions of BOR Policy 8.2.13: Gratuities as it pertains to receiving gifts.

**Payment Process**

- T&E System reimbursement for employees (claim expense under ‘Other Expenses’)
- AP Payment Request Form for payments to caterers (less than $2500)
- P-Card (only for group meal expenses that comply with meal per diem limits and employee meeting length restrictions. No bottled water, coffee/beverage service or snacks). Review PCard policy 5.2.1.8 for specific requirements.
- BuzzMart PO/Approved vendor invoice
- Employee Payment Request Form: (Only when the vendor is unable to invoice Georgia Tech, e.g. grocery store or bagel shop, and the event host purchases directly)

Regardless of payment method, documentation of the purchase must be submitted as outlined above in support of the payment. Itemized, original receipts are required.

Payment for entertainment and extraordinary development activities, including the purchase of alcohol, will be via the Foundation or GTRC Check Request process processed directly through the Foundation or GTRC. Original, itemized receipts are required in addition to the other documentation (invitation, agenda, etc.) to support the request.

Payments made directly through Georgia Tech Accounts Payable or via the PCard are exempt from sales tax. Payments made through the GT Foundation and GTRC are subject to sales tax.

**Authorized Caterers for Events on Georgia Tech Campus**

University System of Georgia policies grant exclusive rights to provide food services on campuses to Auxiliary Services. See Catering Service Policy (Student Center web site) for details regarding authorized caterers and policy details.

**Additional Resource: Food/Group Meal Procurement Grid**

The Food/Group Meal Procurement Grid outlines specific categories of food/group meal purchases with allowable funding sources, payment processes, and required documentation.

Forms: All forms, including the Food/Group Meal Procurement Grid, and links to related policies are available via the Business Services Web Site: http://www.procurement.gatech.edu/payables/food-policy