Interpretation of policy is difficult and can be viewed differently by different people.

Hospitality site to be tweaked.
ALLOWABLE DEFINITIONS: ACTIVITIES

For which the dollar value must be determined to be “reasonable in amount, appropriate to the occasion, necessary, and serve a bona fide university purpose.”

Be good stewards of taxpayer $. The University does not default to hospitality.
STUDENT EVENTS

- Classroom Activity (Field Trip)
- Research Trip
- Recruitment
- Orientation
- Social (Celebrations)
  - No Holiday Parties
- Recognition (Awards)
- Summer Programs
- End of Year Activities

- Object code 4025
- University accounts funded by student activity fees; object code 4028 (Rec Sports, Union Board)
- RPS culture events, entertainment such as Oscar night, Big Ten night, dining with guest lecturers; object code 4868 (auxiliaries)

- Students must be greater in number than faculty/staff.
SEARCHES

- Object Code 4025
- Search Firms: Object code 4520
  - Use PO
- Faculty and Staff
- Funds: IU and IUF for food, search firm expenses IU
- University prefers 4 to a table including the candidate
  - For meal expenses look to per diem for Bloomington
  - Be reasonable; $400 bottle of wine
    - No, not even with IUF funds
- Spouses of faculty or staff who accompany the party shall be reimbursed if the visiting spouse is present, or if the inclusion of spouses has the prior written approval of the appropriate school Dean or Vice President/Chancellor.
ACADEMIC VISITORS

- Meals only
- These visitors can NOT be state or federal government officials
  - Seek approval anytime a government official is visiting
    - (see HLOGA slide)

- **Can only pay for the guest with IU funds**
  - Pay for the rest of the guests who attend the meal with IUF funds.
Organized Departmental Meetings

- Object code 4025
- Meetings with guests from outside IU
  - Collaboration, guest speaker, class activities
  - More than ½ day
- Funds: IU or IUF funds for meals or refreshments
RETREAT

- Object code 4025
- IU Employees
  - Faculty and Staff only
- For the purpose of goal-setting, discussion of mission, etc.
- More than ½ day
- University would prefer it be held on campus
TRAINING

- Object code 4025
  - Hospitality request needed
  - No duration requirement
- Faculty and Staff
  - Example: Orientation for new employees, staff development
- Refreshments may be provided when training is provided by campus **Human Resources** (or approved by HR), **campus faculty development offices**, or facilitated by an **external training consultant**
CONFERENCES AND WORKSHOPS

- Object code 4026
  - Collection of registration fee
    - fee must cover all hospitality expenses
- Conferences hosted by university personnel for which registration/vendor fees are charged
- MUST USE OCERS to collect fees (no fee for service)

*If fees are collected and IU personnel and resources are used for the event the funds must be deposited at IU not IUF (see policy FIN-ACC-I-460)*
HLOGA
(HONEST LEADERSHIP AND OPEN GOVERNMENT ACT)

- HLOGA covered expenses must be approved ahead of time by the office of Doug Wasitis. Failure to do so may result in nonpayment of such expenses.
  - Prior to contact with or a visit by a government official, fill out the pre-approval form and submit it for Doug Wasitis’ or Becca Polcz’ approval
  - Government Official Approval Form
    - You will be notified when your guests’ visit is approved and be given instructions on how to handle expenses incurred during the visit
- All reportable expenses under HLOGA must be paid directly to a vendor or to a university employee for reimbursement.
  - Expenses must be paid from 23-102-00

- **NO Reimbursements, Stipends, or Honorariums paid directly to any covered state or federal official are allowed**

- For more information and tips; **Policy on Federal Lobbying**
RECEPTIONS

- Employee recognition reception (service anniversaries, retirements)
- Official, ceremonial functions of the university (such as commencement, presidential inauguration)
- Student recognition
- Candidates for positions
- Academic Visitors
- Guests

- Object code 4025
- Receptions are always better than meals
Fundraising/Advancement

- Activities that host donors/alumni in hopes of raising funds for IUF endowments.
- IU funds can be used to pay for the expenses of the development office:
  - office supplies
  - travel
- IUF Funds must cover all hospitality expenses
  - If total intent of fundraising activity is for funds to go to IUF, $ must go directly there with all expenses paid directly from IUF also
HIGH PROFILE RECEPTION AREAS

- Object code 4025
- Coffee service, napkins, utensils, etc. for office reception areas
Peer Review & Accreditation

- Object code 4025
- Hospitality for committee members is allowed
Grant, Contract and Gift Accounts

- Object Code 4027
- All hospitality expenses incurred in achieving the university’s mission can be approved or reimbursed from grant, contract, and endowment match accounts if it is determined that the expenses are:
  - Necessary
  - Appropriate to the occasion
  - Reasonable in amount
  - Consistent with the donor’s intent or agency’s intended use of the funds
- Approval must be obtained from Office of Research
ALLOWABLE DEFINITIONS:
MERCHANDISE

For which the dollar value must be determined to be “reasonable in amount, appropriate to the occasion, necessary, and serve a bona fide university purpose.”

Be good stewards of taxpayer $. The University does not default to hospitality.
**Gifts**

**Policy FIN-ACC-I-590**

- **IUF funds only**
  - Foundation will deny alcohol and trips given as gifts
  - No gift cards

- Threshold: $400 for retiring employees, $600 for non-employees that contribute to IU’s mission (can include donors)
  - “Pass the hat” and you can buy whatever the department wishes for any amount

- Be cautious about providing “gifts” to retirees on 18/20
  - Give gift before the person retires; after they leave we cannot pay them and a gift is considered income
AWARDS

- Object code 4867
- Recipient(s): Staff, Faculty, Students, Guests
- Item: Plaques, items with IU/School logo (paperweights, picture of Sample Gates w/award label, certificates)
- On requisitions please be clear about what is being purchased and its purpose.
**Drawings (and “Games of Chance”)**

- Funds: IUF (if non-auxiliary) or Auxiliary
  - Only auxiliaries can have games of chance
  - IU does not have games of chance—it is not part of our mission
- Threshold: The value of any prize offered must not exceed $300, total value of ALL prizes at an event must not exceed $900
- These items are not to be confused with Promotional or Recruitment Items

*See FIN.ACC.VII-4*
PROMOTIONAL ITEMS

- Object code 4868
- Auxiliaries ONLY
- Recipients: Students, Visitors, Donors, Alumni, Employees
- Reason: to promote unit
RECRUITING ITEMS

- Object code 4025
- Merchandise given to potential faculty, staff, or students

RECAP: Merchandise can be given for:
- Promotional Reasons from Auxiliaries
- Recruitment of students, employees, or donors from all other funds
UNIFORMS

- Object code 4270
- Funds: IU or IUF
- Recipients: Faculty, Staff and Student Employees
  - Uniforms must be worn at all unit functions such as orientation, every Friday, fairs, recruiting events
HOSPITALITY-RECAP

- Pre-Approval
  - Hospitality Approval Website
- Object Codes
  - 4025-food, linens, floral arrangements, beverages
  - 4026-fees collected
  - 4027-C&G
  - 4028-Student Activity Fee
  - 4166-printing
  - 4500-music
  - 4680-space rental
  - 4868-Promotional
- Transactions
  - Purchase Order/DV to a vendor
  - DV to an individual (reimbursement)
  - P-Card
    - Show the hospitality code in the Org Ref ID
HOSPITALITY- RECAP

Things to Remember

- NO MEALS for employees
  - Unless part of search & screen, retreats, student event, recruitment of students
- Student events must be for the benefit of students
- Your unit can be more restrictive in your own hospitality guidelines
- Always seek pre-approval
- Provide clear, detailed information on transactions

Be Reasonable

- Use State per diem rates for cities
- Alcohol-be reasonable in cost even though IUF funds
**WHEN DO WE PAY TAXES?**

- The Sales Tax statement on the hospitality approval for Student Events will indicate that we are not to be charged.
- We are to pay sales tax when charged but we do not add taxes if not charged.

**NO SALES TAX:**
- Food “items” or grocery food items
- Student event

**YES SALES TAX:**
- Restaurants
- IU merchants for meals
  - IMU & Residential Programs/Traditions
UNALLOWABLE HOSPITALITY
--with IU FUNDS
- NO Alcohol
  - Have to be paid for with **IUF funds**
    - including those associated with meals
    - including bartenders serving soft drinks
- NO Flowers
  - Unless used for an allowable event
- NO Charitable donations or Contributions
- NO Gifts
- NO Social Memberships
- NO Fundraising expenses

*This list is not exhaustive and does not cover all unallowable expenses.*
**ALCOHOL POLICY**

- If a unit is hosting an event where alcohol will be served, the service of alcohol must be approved.
  - *Our concerns are around the potential impact on student (& IU employee) safety and welfare*

- If a unit has entered into an arrangement with an alcohol-affiliated entity (alcohol producer, alcohol distributor, or bar) to sponsor an event (even if the company is just providing monetary support) the sponsorship must be approved at least 1 month prior to event.
  - *Our concerns are around the reputation of the proposed vendor or sponsor in the campus community, considering the entity's local involvement and the potential impact on the perception of the University.*

- **Process for approval:**
  - Enter request for alcohol service or sponsorship approval into SharePoint:
    - [Alcohol Service and Sponsorship Approval Request](#)
  - Rozzie will forward the event details to the Provost for approval
  - You as the requestor will be notified of approval or denial via email and, if approved, you will be provided with an Alcohol Approval Code

- If the alcohol request is associated with an event requiring hospitality, submit the alcohol request PRIOR to entering the hospitality request.

- Enter the Alcohol Approval Code into the appropriate field on the hospitality request form *(hospitality request form updates coming soon).*

- There will be NO blanket approvals for units; must have approval for each event.

- Alcohol service requests WILL be denied if undergraduates are the targeted audience of an event where alcohol will be served.
  - If it is unavoidable to have undergrads and alcohol at an event, a detailed process for checking identification must be outlined (cash bar option)