UNIVERSITY POLICY
ON THE PAYMENT OR REIMBURSEMENT OF
HOSPITALITY EXPENSES
Rev. 10/15/2014

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I. REFERENCES / AUTHORITY

Integrated CSU Administrative Manual

- Policy Number: 1301.00
- Policy Title: Hospitality, Payment or Reimbursement of Expenses

http://www.calstate.edu/icsuam/sections/1000/1301.00shtml

II. POLICY OBJECTIVE:

There are occasions when the judicious extension of hospitality in connection with official University business is in the best interest of San Francisco State University. This University policy and procedures governs the manner and extent to which the University may provide hospitality to employees, students, donors, guests, visitors, volunteers, and other individuals as part of a business meeting; recreational; sporting or entertainment event; or other occasion that promotes the mission of the University. This policy also addresses meals served to employees as part of a morale-building function and meals provided to prospective students and employees.

III. POLICY STATEMENT

This policy governs the appropriate use of CSU operating Fund (485), University trust funds, enterprise funds and auxiliary funds unless legally exempted or otherwise restricted; e.g. documented trust agreements. The policy does not apply to an employee’s meal expenses incurred while on travel status, e.g, attending an off-campus conference or business meeting, which is covered by the Integrated CSU Administrative manual, Policy Number 3601.01.


IV. UNIVERSITY POLICY

A. ALLOWABLE EXPENSES AND OCCASIONS

Expenses for hospitality must be directly related to, or associated with, the active conduct of official University business. The occasion must serve a clear University business purpose, with no personal benefit derived by the official host or other university/campus employees. In addition, the expenditure of funds for hospitality should be cost effective and in accordance with the best use of public funds.

The procedures set forth in this policy are intended to conform to the Internal Revenue Service
regulations related to entertainment expenses. Accordingly, any payment made to an employee in connection with hospitality may not result in taxable income to the employee.

When determining whether a hospitality expense is appropriate, the approving authority must evaluate the importance of the event in terms of the costs that will be incurred, the benefits to be derived from such an expense, the availability of funds, and any alternatives that would be equally effective in accomplishing the desired objectives.

**Following are examples of situations where the provision of hospitality is permitted:**

**Host to Official Guests**

When the Campus is host to official guests, including visitors from other universities, members of the community, visiting dignitaries, donors, University employees visiting from another work location, etc., the cost of meals or light refreshments may be paid or reimbursed. In addition, such costs may be paid or reimbursed for prospective students or appointees for positions requiring specialized skills and/or experience of a professional, technical, or administrative nature. The hospitality expenses of the spouse or domestic partner of an employee may be reimbursed provided such hospitality serves a bona fide University business purpose. Participation in official functions that require the attendance of a spouse or domestic partner needs high-level authorization of vice President or above for payment or reimbursement of hospitality expenditures. Fundraising events, alumni gatherings, community and recruiting events are examples of activities that may require the attendance of a spouse or domestic partner.

**Meetings of a Learned Society or Organization**

The cost of meals or light refreshments may be paid or reimbursed when the University is the host or sponsor of a meeting of a learned society or organization.

**Retreats, Meetings and Business Meals**

The cost of meals or light refreshments may be paid or reimbursed when meetings of an administrative nature are held that are directly concerned with the welfare of the University. Where meals are involved, they must be a necessary and integral part of the business meeting, not a matter of personal convenience, e.g., the cost of meals for employees from the same work location may be reimbursed if a working lunch is included as part of a scheduled meeting. The meeting should take place over an extended period of time and the agenda should include a working meal to satisfy the requirement that the meal is part of a business function. Reimbursement will not be allowed when two or more employees from the same work location choose to go to lunch together to continue their business as an incidental part of the meal, or when the meeting could have been scheduled during regular working hours. Reimbursement may be allowed when it is necessary for employees to conduct official campus business during a meal, the circumstances surrounding the meal are beyond the control of the employee, and it is impractical to complete the business during normal working hours.
Spouses and Domestic Partners

Hospitality provided to the spouse or domestic partner of an employee may be permitted when it serves a CSU business purpose. Such an individual’s presence is considered to serve a CSU business purpose if he or she has a significant role in the proceedings or makes an important contribution to the success of the event. Official functions to which spouses or domestic partners are invited as a matter of protocol or tradition such as ceremonial functions, fundraising events, alumni gatherings, athletic games, and community events may be considered business related. An agenda, invitation or similar documentation should be included with the payment record.

Student-Oriented Meetings

The cost of light refreshments may be paid or reimbursed when meetings between faculty or administrators and students are held for support of University sponsored student events and activities (e.g. leadership recognition ceremony) and student recruiting efforts.

Prospective University Donors and Donor Cultivation

The cost of meals or light refreshments may be paid or reimbursed when the University hosts an event for the purpose of generating the goodwill of prospective donors.

Receptions

The cost of light refreshments (and the cost of certificates/awards/plaques/promotional materials presented to Non-Employees and Employee Non-Cash Awards) may be paid or reimbursed for receptions held in connection with:

- Conferences
- Meetings of a learned society or organization
- Fundraising events
- Meetings of student organizations/groups,
- Employee recognition or length of service awards or retirement presentations,
- Celebrations of milestones in the University’s history such as Founder’s Day or the inauguration of a new president,
- Ceremonies honoring achievements by students (e.g. commencement, honors convocation) or employees (e.g. emeritus faculty).

Faculty/Staff Picnics, Holiday Gatherings, and Parties
The cost of meals or light refreshments for employee morale functions such as faculty/staff picnics or holiday gatherings may be paid or reimbursed, provided it can be demonstrated that such functions serve a University business purpose. The cost may **not** be paid or reimbursed from the CSU Operating Fund. They may be charged to other funding sources provided it can be demonstrated that such functions serve a University business purpose and there are no restrictions on the other funding sources that disallow these expenses.

**Event Location**

University employees hosting a meeting, conference, or event must host these in an established business location. Hosting these at an **employee’s/private resident is prohibited**.

**Gifts Presented to Non-Employees**

It is the policy of the University that gifts of moderate expense as described herein may be presented to non-University individuals or organizations when the gifts are made on behalf of the University. However, the presentation of such gifts is permitted only if it can be demonstrated that the gift benefits the University or is clearly necessary to the University's fulfillment of its role as a good community citizen. To avoid any appearance of favoritism, no officer or employee should present a gift that appears to be offered because of the position held by the recipient.

**Gifts may not be presented to the following:**

University employees or relatives of University employees.

Any individual or organization associated either directly or indirectly with a political party, campaign, or candidate, or a group engaged in an attempt to influence legislation, elections, referendums, or the like.

Any person with whom a presenter has an outside business relationship, i.e., where any conflict of interest exists.

The business reason for making the gift or the nature of the business benefit the University derived or expects to derive must be documented in writing. In most cases, the promotion of goodwill in the University community is an acceptable business purpose.

**Important-Gifts of cash are not permitted.**

**Gifts presented to Employees**

It is the policy of the University that work-related events may be acknowledged by the presentation of a **non-cash award** to an employee for the purposes of recognizing of length of
service, work accomplishment, or retirement. In addition, gifts as an expression of sympathy may be presented to employees as specified in section VI of this policy. Such awards and gifts are intended to conform to the Internal Revenue Service (IRS) regulations in order to be excludable from an employee’s gross income.

B. NOT ALLOWABLE EXPENDITURES

Personal Benefit

Hospitality expenses that are of a personal nature and not related to the active conduct of official University business will not be paid or reimbursed. Example includes employee birthday, weddings, anniversaries, bridal shower and baby showers.

Discrimination

Hospitality expenses will not be paid or reimbursed for membership in social organizations, activities or entertainment services that discriminate based on race, color, religion, national origin, ancestry, age, gender, sexual orientation, marital status, veteran status, or disability.

C. APPROVAL OF TRANSACTIONS

1. Delegation of Authority

Approval for all official University hospitality expenses must be obtained at the appropriate level. In order to ensure that the approval of hospitality is entirely independent, individuals with delegated approval authority shall not approve the expenses of a person to whom they directly report. The approving authority should be the supervisor (or higher level) of the official host. In addition, individuals with delegated approval authority shall not approve their own hospitality expenses. If the official host is the President, approval shall be by the Vice President for Business and Finance/CFO.

High-level authorization of Vice President or above is required for payment or reimbursement of hospitality expenditures for the following:

- Recreational, sporting or entertainment events
- Spouse or domestic partner of an employee

A Delegation of Signature Authority Form or an equivalent form must be on file for each individual to whom approval authority for hospitality payments has been delegated. Any delegation of authority must be in writing, with copies provided to the Office of the Associate Vice President – Fiscal Affairs.
2. Authority for Exceptions to the Policy

Exceptions to this policy must be approved by the President, a Vice President or an Auxiliary Chief Executive Officer / General Manager in advance of the event/expenditure. In certain circumstances, however, when entertaining a guest at dinner, the exception may need to be approved after the expenditure has occurred by the appropriate authority. Please use the "Authorization for Exception to the Hospitality Policy" form. The President and Vice Presidents have the authority to exceed the restaurant meal limits with certification that it is for development purposes. The authority in this section may not be delegated.

V. PROCEDURES

A. AUTHORIZED RATES

Rates are recommended by the Associate Vice President – Fiscal Affairs and are authorized by the Vice President for Administration and Finance. Maximum rates allowed for hospitality, specified in Appendix A, include taxes and service. These rates do not include the rental of meeting or conference facilities, which may be charged as an additional expense.

The maximum rates will be reviewed periodically by the Office of the Associate Vice President--Fiscal Affairs and adjusted as appropriate.

PRESENTATION OF GIFT TO NON-EMPLOYEE

Generally, gifts are presented when tradition, commonly accepted institutional practice, or social custom dictates gift giving. To prevent the appearance of favoritism, gifts presented to a particular individual or entity shall be given infrequently, based on objective criteria.

In order for such a gift purchase to be reimbursed, the business purpose for presenting the gift must be documented in accordance with the procedures set forth in Section E, below.

Examples of individuals and organizations that may be presented with a gift on behalf of the University include, but are not limited to, the following:

- A visiting dignitary or scholar, to express appreciation, e.g., a distinguished lecturer;
- A donor or potential donor, to acknowledge a contribution, recognize service, or express sympathy in the event of the death or major illness of a family member;
- A volunteer, to honor the contribution of time or other resources;
- A potential donor, to promote the University's programs or to express the University's goodwill toward the community;
- An organization, to promote goodwill;
- A client, to promote good customer relations;
- A foreign dignitary or University official, to promote goodwill.
- Awards to students
PRESENTATION OF GIFT TO EMPLOYEE

ALLOWABLE AWARDS

1. Work-related Awards

Recognition of Length of Service, Work Accomplishment, and Retirement non-cash awards must conform to the requirements listed below:

a. Employee Service Awards

An item of tangible personal property may be presented to an employee for length of service contributions to the University. Such awards are subject to the following limitations:

- The award must be given for length of service achievement;
- The recipient must have completed at least five years of service; and,
- The recipient must not have received a similar gift in any of the prior four years.

A length of service award valued at up to $250 is allowable. A service award valued in excess of $250 may be allowable as an exception to the policy only. An award valued at more than $400 is prohibited.

b. Work Accomplishment Awards

Including Employee of the Month, Employee of the Year, and Distinguished Faculty Awards. Awards must be occasional and infrequent. An item of tangible personal property may be presented to an employee for work accomplishments. The selection of the staff / faculty who will be awarded must be made in accordance with an established process. The awards are subject to the dollar limits specified in section (a) above.

c. Retirement Awards

An item of tangible personal property may be presented to an employee separating with at least 5 years of service are permissible upon his or her retirement, subject to the dollar limits specified in section a. above.

2. Sympathy Gifts

Gifts of tangible personal property, such as flowers, may be presented as an expression of sympathy in the event of the death of an employee or a member of the employee's immediate family. The employee’s immediate family includes spouse or domestic partner, the spouse or domestic partner’s father, mother, sister, brother and child. The cost of such gift is limited to $100 per department / office, unless exceptional approval is obtained.
PROHIBITED AWARDS

Any award that is taxable is prohibited. Expenses for such awards cannot be reimbursed from any fund source or approved as an exception to this policy.

Examples of awards that are prohibited include the following:

- Cash or negotiable gift certificates
- Parking permit in excess of $175
- Transit passes in excess of $65
- Work-related awards in excess of $400
- Recreation memberships
- Season tickets to sporting or cultural events

B. PAYMENT/REIMBURSEMENT PROCEDURES

General

A “REQUEST FOR PAYMENT/REIMBURSEMENT OF HOSPITALITY EXPENSES” must be submitted to the Accounts Payable – Fiscal Affairs (ADM-351) or to the appropriate Auxiliary Business Office. The completed request must include the following information:

a. Official host’s name and department (official host and approver may not be the same person)

b. Type of activity (e.g. reception, staff picnic, retreat, meeting of committee, etc.)

c. Date of activity

d. Location of activity (must be at an established business location)

e. Purpose of activity: explain how this is a necessary, business related expense that is appropriate to charge to/reimburse from the indicated account; e.g. business purpose/reason/benefit and how it contributes to achieving the University’s mission and the purpose of the project/account being charged; business topic(s) discussed.

f. Participants: who attended the activity and what is their business relationship to the University / department. The name, title and department (if a University employee), or affiliation /occupation /group (if a guest from outside the University) of each person should be shown on the request form or an attached guest list. For meetings of a group with an established participant list (e.g., Council of Deans, Board of Directors) or where the group is so large it would be very difficult to name all the attendees (e.g., staff appreciation reception), the persons entertained need not be individually identified by name and title. The group must be named or described and the estimated number of attendees provided.
g. Type and amount of expense(s): describe what was purchased, what it cost, and the total amount of the payment requested.

h. Chart Field number being charged. **Use Hospitality Program Codes for all hospitality transactions.** The program codes are as follows:

- Food - 2010
- Entertainment - 2020
- Event Supplies - 2030
- Facility Rental - 2040
- Gifts to Non-Employee - 2050
- Award to Employee - 2060
- Sympathy Gift - 2070

i. A certification signed by the official host that the expenses were incurred for official University business purposes.

j. Approval signature of the supervisor (or higher level) of the official host.

k. Approval signature of responsible person or project director authorized to approve disbursements from this account.

l. Approval signature for exceptional hospitality, if required. All requests for reimbursement must be supported by **original itemized** receipts, or acceptable electronic receipts, which must be submitted with the request for payment. Requests for payment processed electronically must contain the same information as that required for paper processing. The level of detail contained in an electronic receipt must be equivalent to that contained in an acceptable paper record.

**Note: All meals required an itemized receipt as proof of payment. A credit card receipt alone is not sufficient.**

To ensure that adequate internal control standards are met, a payment issued to reimburse hospitality expenses **shall be delivered directly to the payee.** Such payments shall **not** be delivered to any of the individuals involved in the approval or payment preparation process. When contracting with an off campus vendor for catering, the information contained in the “Hospitality purchase order Request” must be submitted to the Procurement Department **before** the event, along with the requisitions and any vendor proposal or estimate. After the event, the official host and approving supervisor must request/authorize payment by submitting the “Request for Payment/Reimbursement of Hospitality Expenses” as outlined above, and the check would be mailed directly to the vendor(s).
C. HOSPITALITY WHILE ON TRAVEL STATUS

The Travel Policy and the Hospitality Policy are separate and distinct policies.

A University employee on travel status who incurs hospitality expenses must claim such expenses in accordance with the procedures specified in this policy. Such expenses should be documented on the “Request for Payment/Reimbursement of Hospitality Expenses” and submitted with the Travel Expense Claim to ensure that the meals for hospitality are separately justified from the meals for travel. In addition, a per diem meal must not be added to the travel expense form when a hospitality expense for the same meal has been submitted for reimbursement.

D. EXCEPTIONS TO THE POLICY

Approval of exceptions to the policy must be obtained at the appropriate level. The request for reimbursement of such expenses must include a written justification as to why the higher costs were unavoidable and necessary to achieve a University business purpose. The fact that actual costs exceed the authorized rates is not in itself adequate justification for a higher reimbursement rate. If adequate justification exists and provided such costs are deemed to be ordinary and necessary under the circumstances, an exceptional expense may be approved. Reimbursements of hospitality expenses shall be limited to the actual costs incurred.

E. TAX CONSIDERATIONS

Under Internal Revenue Service regulations, an entertainment (hospitality) expense will be considered taxable income to an employee if the entertainment (hospitality) activity is not directly related to the employee’s job, the expense is lavish or extravagant under the circumstances, the official host (or another employee) is not present when the activity takes place, or if the expense is not substantiated with supporting documentation, as provided in this policy. In addition, business meals with faculty, staff, or other colleagues that are frequent (i.e., that occur on a regular or routine basis) and reciprocal are considered taxable income. Meals or light refreshments should be limited to no more than twelve times per year, per group*. Any expense that would be considered taxable income to the employee by the IRS is not allowable under this policy.

*Meals or light refreshments provided to a group should be counted on an event basis, e.g., a two-day meeting should be counted as one event in determining compliance with these guidelines.

VI. RESPONSIBILITIES

President, Vice Presidents and Auxiliary Chief Executive Officers/General Manager are responsible for the justification and approval of all exceptions to this policy.
ACCOUNTS PAYABLE
HOSPITALITY POLICY

- President
- Vice Presidents
- Auxiliary Chief Executive Officers / General Manager

Associate Vice President for Fiscal Affairs is responsible for recommending the maximum rates to the Vice President for Administration and Finance. He is also responsible for periodic review of the maximum rates allowed for hospitality provided in Appendix A and making adjustments as necessary, and for issuing appropriate procedures for processing official hospitality expenditures.

- Associate Vice President for Fiscal Affairs

Associate Vice Presidents, College Deans, Department Heads (or equivalent authority), ORSP and the Auxiliaries Chief Executive Officers are responsible for ensuring that hospitality expenses conform to the requirements of this policy, and that claims submitted for payment or reimbursement include the appropriate supporting documentation. They are responsible for restricting hospitality to allowable expenses and occasions, for submitting the appropriate host certification with claims for reimbursement, which have been signed by an authorized signer, and for ensuring that expenses incurred are appropriate to the fund source.

- Associate Vice President
- College Deans
- Department Heads (or Equivalent)
- ORSP (for P.I.’s)
- Auxiliary Chief Executive Officer

Accounts Payable Unit – Fiscal Affairs

It is the responsibility of the Accounts Payable unit to ensure that payment or reimbursement requests submitted by departments for hospitality expenditures using university funds are made in accordance with the policy and procedures set forth in this policy. (Similar personnel of Auxiliary organization must be charged with this responsibility.) The Accounts Payable unit is responsible for reviewing all supporting documentation to verify that the amounts claimed are allowable, that the appropriate funds are charged, that the documents were properly approved prior to payment, and for ensuring that payments are tax reported appropriately.

In addition, the Accounts Payable unit is responsible for ensuring that supporting documentation is being retained for review and audit in accordance with record retention and disposition requirements.

MAXIMUM RATES FOR HOSPITALITY

The maximum per person expenditures for individuals being entertained and for a University employee who is the official host or who is a participant at the request of the official host, shall not exceed the following amounts:

<table>
<thead>
<tr>
<th>Meal</th>
<th>Maximum Rates (see footnotes)</th>
</tr>
</thead>
</table>

12
Breakfast $20.00
Lunch $30.00
Dinner $50.00
Light Refreshment $15.00

Footnotes

(1) The reimbursement for a buffet reception cannot exceed the applicable meal allowance associated with the type of buffet, i.e., breakfast, lunch, or dinner.

(2) These amounts include tax and service (i.e. tips).

FUNDING SOURCE APPROVAL MATRIX

Official hospitality expenses may be paid from various University funding sources, subject to the rules outlined above. The following table summarizes funding sources for payment of Hospitality Expenses:

<table>
<thead>
<tr>
<th>Hospitality Expenses</th>
<th>Operating Fund (CSU Fund 485) (see footnotes)</th>
<th>Special Funds (see footnotes)</th>
<th>Auxiliary Organization Funds (see footnotes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Beverages (other than Alcoholic Beverages) for Meeting Attended by Only the Employees of the Same Work Location</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Food and Beverages (other than Alcoholic Beverages) for Meeting attended by Official Guests and Official Hosts</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Alcoholic Beverages</td>
<td>NO</td>
<td>YES*</td>
<td>YES*</td>
</tr>
<tr>
<td>Tobacco Products</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Gifts (to Non-employees on behalf of the University)</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Awards (to University Employees)</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Promotional Items (to non-University employees)</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Transportation Expense (of official)</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Guest and Spouse or Equivalent</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----</td>
<td>-----</td>
<td>-----</td>
</tr>
<tr>
<td>Faculty/Staff Picnics &amp; Holiday Gatherings</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Faculty/Staff recognition / length of service / retirement</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Faculty/Staff birthday, wedding, anniversary, farewell other than retirement</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
</tbody>
</table>

**General Rules:**

- The Approving Authority is responsible to determine whether hospitality expenses serve a bona fide University business purpose.
- In the event of a conflict between the terms of the fund (i.e. funding source) and the University policy, the stricter of the two policies shall apply.

**Footnotes**

Alcoholic beverages may be charged to Special Projects and Trust Funds only if they are permitted by the Trust Fund Agreement and are not restricted by the funding source or agency and there are no restrictions on the use of Auxiliary funding (e.g. Grants and Contracts) for these expenses. No alcoholic beverages may be purchased using Federal, Housing, Parking or Health Facility funds. No Tobacco products of any kind may be purchased, regardless of the funding source.

**VII. DEFINITIONS**

**Hospitality** – includes expenses for activities that promote the University to the public, usually with the expectation of benefits accruing directly or indirectly to the University. Hospitality is broadly defined to include providing any of the following to University employees, guests, visitors, current and prospective students, prospective donors, and volunteers:

- Meals (catered or restaurant)
- Light refreshments (beverages, hors d’oeuvres, pastries, cookies, etc.)
- Costs of attending civic, cultural, entertainment or sporting events

**Approving Authority** - a person to whom authority has been delegated in writing to approve hospitality expenses for meals, light refreshments, and other amenities describe within the policy.

**Official Host** - a CSU trustee, auxiliary governing board member, or university or auxiliary employee
who hosts guests at a meeting, conference, reception, activity, or event for the active conduct of university business.

Official Guest – A person invited by an official host to attend a CSU meeting, conference, reception activity or event. Examples of official guests include employees visiting from another work location, students, donors, recruitment candidates, volunteers, members of the community, or media representatives.

Promotional items – items that display the name, logo or other icon identifying the university such as keychain, coffee mug, calendar, or clothing.

Work Location - the place where the major portion of an employee’s working time is spent, or the place to which the employee returns during working hours upon completion of special assignments.

Exceptions - include hospitality expenses that exceed the per-person maximum rates specified in the Appendix of this policy and any other type of hospitality expenses that are not specifically included in this policy.

Funding Sources are: *(Please refer to Funding Source Approval Matrix)*

- **Operating Fund** (CSU Fund 485)
  - State related programs and operations appropriation of general tax revenue and student fee revenue for state-supported instruction and
- **Special Funds**
  - All other funds maintained by the University, the Corporation, and Auxiliaries including:
    - Trust and Special Project Funds – (Fund #948)
- **Auxiliary Organization Funds**
  - Include Unrestricted Funds maintained by Auxiliary Organizations, Indirect Costs on Grants and Contracts, and Fund-Raising accounts.

*Notes:*

1. Financial Aid program funds and Capital Outlay funds are excluded from Sources of Funding. They may not be charged for hospitality expenses.

2. Special Funds may be used to pay hospitality expenses only to the extent permitted by the statute under which the fund was established. Expenses must support the program(s) or purpose(s) for which the fund was established. For example, the Continuing Education Trust Fund may be used only for the support and development of self-supporting instructional programs.

3. Federal or other government contract and grant funds may be used to pay hospitality expenses only if such expenses are specifically authorized in the contract or grant, or by funding agency policy, and only to the extent and for the purposes authorized. In the event of a conflict between agency and University policy, the stricter of the two policies shall apply. No alcoholic beverage or tobacco products may be charged to Federal, Housing, Parking or Health Facility funds.

4. Hospitality expenses may be charged to a project or Trust Fund or Special Projects Fund only if authorized by the campus approved project agreement.