

# RADFORD UNIVERSITY

<b>Policy Title: Food and Beverage Policy</b>	<b>Effective Date: 7/1/2002</b>
<b>Policy Number: FA-PO-1207</b>	<b>Date of Last Review: 8/27/2021</b>
<b>Oversight Department: Accounting Services</b>	<b>Next Review Date: 9/1/2024</b>

## 1. PURPOSE

The *Food and Beverage Policy* for Radford University (University) establishes requirements that the University community must follow when purchasing food, beverages, and any related services in the conduct of official University business in order to comply with state policy and to ensure such expenditures will sustain the test of public review.

## 2. APPLICABILITY

The *Food and Beverage Policy* applies to all departments, offices, organizations, and persons that intend to provide food, beverages, and any related services at University expense. The policy applies to expenditures from all University funds, including Educational and General (E&G), state and local auxiliary, and sponsored program funds.

## 3. DEFINITIONS

**Division Head:** President, Provost, or applicable Vice President.

**University Property:** Any facilities, physical property, or land owned, leased, or controlled by the University.

## 4. POLICY

- A. As a public institution of higher education of the Commonwealth of Virginia, the University will ensure that expenditures are essential to operations and support the mission of the University.
- B. University funds may not be used for employee events or functions that are intended merely to promote goodwill or boost morale, or are considered primarily social in nature. This restriction is based on current tax law and is intended to avoid the necessity of including the value of such meals in an employee's taxable income. This restriction, however, does not prohibit the University from providing food and beverages of minimal value to employees at occasional events such as the annual University-wide holiday open house or staff picnic.
- C. University funds may not be used for food and beverage expenditures that would typically be considered a personal expense, including routine meals, snacks, and refreshments.

- D. There are limited circumstances in which it is considered appropriate to provide food and beverages from University funds. Employees, who are in travel status, please refer to the [University Travel Policies and Procedures](#). The functions or events at which food and beverages may be provided are limited to the following:
1. **Business Function:** Food and beverages may be provided at business functions that involve substantive and bona fide business discussions with an outside party or parties in attendance. Meals at which interview candidates are hosted are included in this category.
  2. **Internal Function:** Food and beverages may be provided at non-routine internal functions lasting a minimum of three hours. Food and beverages may not be provided at regularly scheduled or routine meetings. University employees are the primary beneficiaries at such functions. Such internal functions must be one of the following:
    - a. Formal training or staff development sessions
    - b. Semiannual departmental staff retreats and meetings
    - c. Cross-divisional planning or coordination meetings addressing substantive issues and decisions that last through the lunch meal period.
  3. **University-wide Function:** This category is generally reserved for University-wide events sponsored by the President's Office, such as the holiday open house, staff picnic, or other events supporting University-wide initiatives. Events not sponsored by the President's Office must be approved by the University Controller in advance.
  4. **Student Academic Function:** Food and beverages may be provided at student functions that contribute to the academic mission of the University. Current and/or prospective students are the primary beneficiaries at such events. Examples include, but may not be limited to, annual award ceremonies, protocol dinner, commencement ceremonies, programmatic events, etc.
  5. **Student Activity/Club Function:** Food and beverages may be provided at student activity/club functions that contribute to student engagement and support the mission of the University. Current students are the primary beneficiaries of such events. Food and beverages provided at residence hall programs or student activity/club events sponsored by student activities fees are examples of this category.
  6. **Student Athlete Function:** Where allowed under NCAA regulations, food and beverages may be provided to current student athletes, athletic staff, student-athlete recruits, and other related parties.
- E. Alcoholic beverages must not be provided at University expense.
- F. Food and Beverage purchases must comply with the exclusive rights provided in the Dining Services and Beverage Pouring Rights contracts.

## 5. PROCEDURES

### A. Requirements and Limitations

1. Food and beverages may be provided **only** at functions and events that meet the criteria listed in Section 4.D. of the policy.

2. Alcoholic beverages **must not** be purchased with University funds. For an event at which alcohol is served, the amount for alcohol **must be** itemized on a separate bill and other payment arrangements made. The following additional requirements apply to alcoholic beverages at catered events:
  - a. Alcoholic beverages may only be served at events deemed appropriate and approved in advance by the Office of the President or designee. If students are attending the event, advance approval must also be obtained from the Vice President for Student Affairs.
  - b. Organizations or individuals are not allowed to bring their own alcohol on University property or to University-sponsored events, nor can alcohol be removed from the designated consumption area at approved events.
3. The University's contractor for Dining Services has exclusive rights to provide food and beverages (including alcohol) for University-sponsored events held on University property except as outlined below. A written waiver to purchase food and beverages from another vendor must be obtained in advance from Dining Services except in the following situations:
  - a. The food and beverage order, including any related service fees and gratuities, is \$150 or less.
  - b. The function/event is held more than 30 miles from the University's main campus in Radford, VA. Events held at Radford University Carilion do not require a waiver under this provision.
  - c. The function/event is a business function (as defined in Section 4.D.1. of the policy) held onsite at a local restaurant with ten (10) participants or less.
4. The University has a Beverage Pouring Rights contract that provides exclusive rights to provide beverages for University-sponsored events on all University property. Only products of the Beverage Pouring Rights contractor (see Appendix) may be purchased for University-sponsored events or for events occurring on University property.
5. In order to limit expenditures for rental facilities, retreats should be held at properties owned or leased by the University. Retreats held at off-campus locations require advance written approval by the Division Head.
  - a. **All** food and beverage purchases must be approved **in advance** through the completion of a Chrome Rive pre-approval using the 'Non-Travel Food & Beverage' tile. Please reference the *Chrome River User's Guide* for instructions on this process. The pre-approval must include a detailed description of the business necessity of the function and how it supports the mission of the University for all function and event types. Additionally, for business and internal functions, the description must include the nature or purpose of the business discussions, the training provided, and/or other business purpose of the function.

- b. A listing of the names and organizational affiliations of each person expected to attend a **business or internal function** must be included on the pre-approval. If a listing is impractical to provide, a written explanation to that effect must be submitted. Upon completion of the event or function, the listing must be updated to reflect the actual attendees. A listing of names and organizational affiliations is not required for University-wide, student academic, student activity/club, or student athlete functions unless required for other purposes.

**B. Per Diem Meal Rates**

1. The actual cost per person for food and beverages, including any related service fees or gratuities, may not exceed the specified allowable per diem meal rates for the location of the event as listed on the Accounting Services [Travel website](#).
2. Food and beverage expenditures may be authorized up to 150 percent of the applicable per diem meal rate with sufficient justification included in the pre-approval.
3. The applicable per diem meal rates must be determined based upon the following time table:
  - a. Breakfast: After 5 am until 11 am
  - b. Lunch: After 11 am until 3:30 pm
  - c. Dinner: After 3:30 pm until 5 am
4. Refreshment rate - Refreshments, light snacks, or beverage only service must follow the per diem meal rates for Breakfast. However, if such items are combined with a meal during any meal period, the total amount spent for all food and beverages must not exceed the applicable per diem meal rate for that meal period. The “refreshment rate” does not apply to events where heavy hors d’oeuvres and/or finger foods are served in lieu of a traditional meal. In such situations, the applicable per diem meal rate for the particular meal period will apply.

**C. Payments to Vendors**

Departments must adhere to the following procedures when payment is to be made directly to the Dining Services Contractor and/or other vendors:

1. A Chrome River pre-approval must be completed and approved **in advance** of the event. Please note that it is not necessary to submit a Chrome River expense report for food & beverage purchases unless reimbursement is needed (see Section 5.D. below).
2. Original itemized invoices must be sent directly to Accounts Payable by the vendor. Invoices should reference the Chrome River pre-approval number as well as the departmental contact who created the pre-approval. Invoices received by departments must be promptly sent to Accounts Payable.

**D. Reimbursements to Employees**

1. A Chrome River pre-approval must be completed and approved **in advance** of the event.
2. A Chrome River expense report should be created and submitted within 30 days of the conclusion of the event.
3. Itemized receipts and any other required documentation (e.g. listing of attendee names and organizational affiliations) must be attached to the expense report.

## **E. Required Approvals**

1. All approvals must be received **in advance** of the event through Chrome River.
2. The Chrome River approval flow for both pre-approvals and expense reports is determined by the employee's reporting structure.
3. Approval of food and beverage expenditures meeting the criteria of "University-wide Functions", as described in Section 4.D.3. of the policy, require the written approval of the President's Office or the University Controller outside of Chrome River.

## **6. EXCLUSIONS**

Section 5.B. of this policy does not apply to sponsored program funds if the sponsor has specifically stated other provisions in the grant or contract as a condition of the award. Grant or contract language must be attached in Chrome River to support the purchase.

Section 5.B. of this policy does not apply to events or functions at which food and beverages are paid solely from external participant fees (e.g. Conference Services external party events). Explanation of such circumstances must be provided in Chrome River.

This policy does not apply to day meals, which are governed by the University's travel policy and procedures.

This policy does not apply to food and beverages purchased for academic or research purposes where the food or beverage is not consumed (e.g. lab research).

## **7. APPENDICES**

**Appendix:** [Beverage Pouring Rights Contract Product Descriptions](#)

## **8. REFERENCES**

[Commonwealth Accounting Policies and Procedures \(CAPP\) Manual, Topic No. 20335, State Travel Regulations](#)

## **9. INTERPRETATION**

The authority to interpret this policy rests with the President of the University and is generally delegated to the Vice President for Finance and Administration & Chief Financial Officer.

## **10. APPROVAL AND REVISIONS**

The University's *Food and Beverage Policy* was originally approved on July 1, 2002.

This existing policy was revised for content in 2010, and approved by the President's Cabinet in September 2011.

The policy was revised in October 2012 by the University Controller to reflect the new exclusive contract with the Coca Cola Bottling Company, which replaced the existing exclusive contract with the Pepsi Company.

The *Food and Beverage Policy* and related Procedure were revised for content and incorporated into the new University Policy and Procedure templates in April 2016. The revised *Food and Beverage Policy* was submitted to and approved by the President's Cabinet at the meeting held on June 9, 2016.

President Kyle signed the *Food and Beverage Policy* on June 9, 2016.

The *Food and Beverage Policy* and related procedure were reviewed by the oversight department and the Office of Policy and Tax Compliance in January 2020 to incorporate the policy and procedure into the current policy template. No substantive change to the policy was made; however, significant changes were made in the procedures which were primarily due to the implementation of processing non-travel food and beverage expenditures in Chrome River. Chad Reed, Vice President for Finance and Administration & Chief Financial Officer approved the revised procedures on January 15, 2020.

The *Food and Beverage Policy* was reviewed by the oversight department and the Office of Policy and Tax Compliance in August 2021. Only minor editorial changes were made that did not alter the scope or application of the policy.

**For general information concerning University policies, contact the [Office of Policy and Tax Compliance](#) – (540) 831-5794. For questions or guidance on a specific policy, contact the Oversight Department referenced in the policy.**