

## Hosting/Meals Guidelines

To offer additional guidance regarding charging meals to a sponsored project, the following are guidelines that should be considered before hosting charges are incurred. Justification will need to be submitted to SPA prior to the end of the budget period. SPA will make a determination based on the scope of work and information addressed below; however, the sponsor or an auditor always has the final say as to allowability.

Participant meals - can be charged to a sponsored project, provided the sponsor does not explicitly prohibit such costs, the costs are reasonable, and the following expectations which serve to help demonstrate necessity and reasonableness of the provision of a meal are met:

1. The meeting includes outside/external participants, AND
2. The meal is served at a formal meeting being conducted in a business atmosphere, where the provision of the meal served is to maintain the continuity of the meeting such as lunch service with a key note speaker during a conference, AND
3. The activity at which the meal is being served is significant and integral to the goals of the project, AND
4. The purpose of the meeting must be a training or scientific gathering where the sole purpose is for **the dissemination of technical information**, NOT to discuss day to day operational issues, staff meetings, orientations, status reports, topics of general interest, AND
5. The meeting must be in sufficient length and cross over a normal meal period.

Business meals - May not be charged as project costs when individuals decide to go to breakfast, lunch, or dinner together when no need exists for continuity of a meeting. Such activity is considered to be an entertainment cost, however, an exception may be made if collaborators who are geographically distanced, attend a scientific meeting and decide to meet to discuss a specific project outside of the conference times

Light refreshments - Includes items such as coffee, tea, punch, cookies, and muffins, which are provided in quantities that are not considered to be a meal may be allowable depending on the function. For example, research participants in blood donations where food is medically necessary.

Travel costs – Charges for subsistence incurred while an employee is working on grant-supported activity. The employee can be reimbursed for actual costs or per diem via the Travel Reimbursement form. Gratuity must be reasonable and is only reimbursed if the traveler is reimbursed on an actual cost basis. Gratuity is included in the per diem amount.

Meals that should fall under travel expenses normally post as hosting expenses when a p-card is used. It is up to the department to reconcile all p-card transactions on a monthly basis to ensure

the correct expenditure type is represented within OGA. If the department does not reconcile each month then they may submit an adjustment form to reclass the expense from Hosting to Travel or submit an explanation/justification for SPA's file.

Entertainments costs – Activities generally considered to provide entertainment, amusements, social activities, or recreations. Events to get the participants acquainted and interacted, encourage participants to arrive on time, prevent participants from leaving and delaying their return, etc. are not allowable. This includes preconference gatherings and welcome dinners. Alcoholic beverages are specifically unallowable and are always considered an entertainment cost.

- **Documentation** that supports meals as an allowable charge in an audit may include:
  - Meeting invitation that describes meeting purpose
  - Meeting agenda
  - Attendee roster
  - Description of the activity associated with the meal in the proposal narrative and/or budget justification

### **Resources and References:**

Specific Federal Citations:

- OMB Circular A-21- Section J General Provisions for selected item of cost:
- NIH Grants Policy Statement: Part III: Terms and Conditions for Specific Types of Grants, Grantees, and Activities - Allowability of Costs/Activities
- GPS 9505 15. *Consumer/Provider Board Participation.*
- NSF Grant Proposal Guide (GPG), 6. Budget -- Proposal Section F.m (ii) Meals and Coffee Breaks.
- USDA Terms and Conditions 4.f.