

**Division of Finance & Treasury  
Accounting & Financial Services**

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## I. TITLE

Expenditures for Entertainment and Approved Receptions and Events

## II. PROCEDURE

The University policy relating to expenditures for entertainment and approved receptions and events has been developed to follow the guidelines promulgated by the New Jersey Department of Treasury's Office of Management and Budget regarding the use of state funds while recognizing that there are occasions when it is desirable for the University to sponsor receptions, work meetings and similar programs for employees ("Community Events").

The New Jersey Department of Treasury's Office of Management and Budget has promulgated rules governing the expenditure of funds on official receptions, meals and refreshments ([State of New Jersey Department of the Treasury Circular 11-09-OMB](#) ). The rules are applicable to all state agencies including the state colleges and universities. The following is the summary of authorized and prohibited entertainment expenditures.

State funds may be used for certain allowable expenses; if the expenditure is not allowable, then the Community Events Account must be used for the expense. Non-state funds, for example federal or other grant funds, may not be expended for entertainment and official receptions unless specifically authorized by the grant or applicable regulations imposed by the funding source.

**Allowable Expenditure of State Funds**

The following entertainment related expenses can be paid from state funds:

1. Expenses associated with entertainment for the benefit of students including meals, refreshments and other directly related expenses.
2. All reasonable costs related to commencement and convocation activities.
3. Expenses associated with the entertainment of groups, committees, task forces and workshops consisting **primarily of persons who are not University or State employees**; for example, a conference for school district personnel.
4. Entertainment expenses for members of University boards, committees, task forces and councils that consist of University employees and unpaid citizens; for example, College Advisory Committee events.
5. Lunch and refreshments for on-campus training sessions when it is necessary for employees to remain at the training site, which is not the employee's work station.
6. Expenses for University approved off-campus retreats at which organizational problems and procedures are discussed and that last a minimum of one day.
7. Reasonable and appropriate entertainment expenses for visiting officials or dignitaries.

It is permissible to utilize state funds for the above; however, all applicable University policies must be followed. For example, all meal and entertainment expenses must be

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Accounting & Financial Services**

:

properly documented and **detailed receipts** must be submitted. An explanation of purpose as well as a list of participants must also be provided. Approval of such events must be obtained **in advance** from the appropriate vice president and the Vice President for Finance and Treasurer or the University Controller. (Approval form can be found on the Accounting & Financial Services website) All expenses should be reasonable and if state funds are used, they must comply with applicable per diem rates.

**Expenditure of Community Events Accounts Funds**

The University recognizes that there are occasions when it is desirable and appropriate to sponsor receptions, meetings and both formal and informal programs where refreshments are served. The intended purpose of these events is to foster a positive work environment, demonstrate appreciation for accomplishments of employees, provide opportunities for interaction and the sharing of ideas, cultivate important and useful relationships with other institutions or individuals, and promote a sense of community among employees. Since the limitations on the uses of state funds may not cover all of these worthy circumstances, the Community Events Account, (which is not state funded) may be used, provided approval by the division vice president is granted **in advance** of the event. (Approval form can be found on the Accounting & Financial Services website)

A department must submit a request for community events funding to the division vice president for approval. This document must clearly define the purpose of the expenditure and include a list of participants and their title and function. If approved, the request must then be submitted to Accounts Payable for further processing.

**Expenditures should be prudent, reasonable and consistent with the intent of University policies. Proper documentation, including detailed receipts, must be provided. This account is not to be used to purchase gifts, bereavement donations, flowers or any other personal items.**

In the event that it is appropriate to provide a gift or token of appreciation to other institutions, individuals, dignitaries or visitors to the University, the value of the gift should be reasonable and customary as appropriate to the circumstance and approved by the appropriate vice president.

If specific circumstances require bottled water be provided by the University for employee use, the cost of the bottled water must be requested from the community events account. (An example of this may be facilities employees who may work outdoors and not have access to water.) Departments requesting the use of community events funds for the purchase must submit written justification to The Vice President for Finance and Treasurer or University Controller in advance of the purchase.

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**Official Receptions and Approved Events**

**FUNDING SOURCE**

**State Funded**

**Community Events**

Student events (students must constitute the majority of the attendees)

Allowable

Reasonable costs related to commencement and convocations

Allowable

Meals and refreshments for official receptions for nonemployees. (Expenses are directly related to the goals and objectives of the program) University employees can be included to the extent that they have a direct involvement in the program.

Allowable

Reasonable and appropriate expenditures for members of University boards, task forces, and councils which may include both employees and unpaid citizens

Allowable

Refreshments and lunch at training sessions that are not conducted at employees' official work station

Allowable

Reasonable and appropriate expenditures for visiting officials and dignitaries

Allowable

Retreat – A meeting of University employees, held off campus, at which organizational problems & procedures are discussed. The proceedings must last a minimum of one day

Allowable

Functions to honor employees or groups of employees

Allowable

Expenses for regularly scheduled professional organizational meetings

Allowable

Staff Meetings

Allowable

Working lunches

Allowable

Bottled water

Allowable

Alcohol

Presidential (or designee)  
approval required

Meals or refreshments to be served to participants (other than students) at any athletic or other games or contests

Prohibited

**NOTE: Community Events, as wells as State funded allowable expenses, require approval of division vice president in advance of the event along with documentation of purpose, detailed receipts and list of participants.**