



Business Matters @ Sac State

Topic: Hospitality Procedures – Effective: November 28, 2018

DATE: December 18, 2018

TO: Campus Business Partners, Administrative Council, Deans, Associate Deans, Department Chairs, Directors, and Managers

FROM: Daljit Khangura
Director, Accounts Payable and Travel

The Hospitality Expense Procedures have been updated per ICSUAM 1301.00. Below are the highlights of the changes that were made to the current procedures. The California State University has updated the hospitality expenses procedure, effective for business occurring on or after November 28, 2018. The full policy and procedures can be found on the Accounts Payable & Travel website.

Updates include:

- Language to reiterate that hospitality expenses should be necessary, appropriate, and reasonable and serve a purpose consistent with the mission and fiduciary responsibilities of the University.
- Employee Meetings and Recognition Events section was revised as follows:
 - a. If the meeting follows outlined guidelines, it may be paid from the CSU Operating Fund 485 (Mxxxx, THSxx, & TSxxx funds, except MDR01)
 - b. Hospitality provided to employees may be permitted when it serves a UNIVERSITY business purpose
 - c. Meals or light refreshments provided to employees may be permitted if the expenses occur infrequently, are reasonable, and appropriate to the business purpose
 - d. Meals or light refreshments provided to employees on a frequent or routine basis are considered taxable income by the IRS and are therefore not permitted under this policy
 - e. When a meeting takes place over an extended period and the agenda includes a working meal, there may be justification that the meal is integral to the business function
 - f. Retirement Celebrations (includes Farewells with 5+ years of service) may be paid using the Operating Fund, with Official Guests attending
 - g. Regular frequent meetings like Deans/Directors, CRA, etc., cannot use Operating Fund to pay for refreshments
- “Significant Others” was added to the Spouses & Domestic Partners section
- Appendix B was added as helpful tool

The Accounts Payable website has been revised to reflect the updates.

Contact Information:

If you have any questions or concerns about this notice, please contact the Accounts Payable & Travel Department, aba-fin-ap-travel@csus.edu, ext. 86476.

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