

**Rocky Mountain College
Hospitality Policy
September, 2011**

This policy addresses when employee meals, gifts, snacks, etc. are chargeable to the College. See the RMC Travel Policy for travel-related meal expenditures.

Hospitality Policy:

Non-Travel Meals and Refreshments:

Employee Meals and Refreshments

Institutional funds can pay for employee meals and refreshments when the employee is hosting an official guest. These include candidates to fill employee positions, visiting scholars/ scientists/ artists, seminar speakers, advisory board members, prospective students, and other guests whose visits provide a clear benefit to the institution.

When only Rocky Mountain College employees are at a function, the meal or refreshments can be paid for with institutional funds if the following requirements are met:

- They are ordered through Sodexo, and
- The activity lasts more than 90 minutes, and
- The activity is considered training, a workshop, departmental staff retreat. These include conferences, workshops, departmental staff retreats, training sessions, employee working meals, non-employee and student recognition events, official graduation recognition, and volunteer appreciation.
- Or when the activity meets the definition of an employee working meal with a documented agenda.
- Non campus dining services may be used with Presidential or Vice Presidential approval.

Institutional funds cannot be used to pay for employee meals or refreshments for regularly scheduled departmental or committee meetings (scheduled for 90 minutes or less), and department social activities such as celebrating holidays, birthdays, et cetera.

Alcoholic Beverages: Alcoholic beverages consumed at a conference or other individual travel events are generally not allowable expenses. There may be rare occasions in other business or social settings when alcohol can be a legitimate business expense. Employees should consult their senior administrator for advice. Alcohol is never an allowable expense charged to government grants.

Hosted Meals

The College or an employee, in the normal conduct of a program/activity, may serve as host for official guests of the institution by paying for their meals when a clear benefit to the College exists and institutional approval processes are followed.

Employee spouse meals are normally subject to income taxes to the employee and therefore are prohibited. However, sometimes a job candidate or official guest is accompanied by the spouse. In these cases an employee spouse's meal is an allowable cost.

Light Refreshments Non-Employees:

Institutional funds can pay for light refreshments served at volunteer appreciation, student and other focus groups, conference, workshop, student recruitment, and similar official events which involve non-employees.

On-Campus Food

For contract reasons, on-campus events with outside guests involving any refreshments as described above are required to utilize Sodexo's catering services. Rare exceptions may be granted due to the type of the event and/or scheduling conflicts, upon approval of the President or a Vice President.

Other Hospitality:

Entertainment Costs: Costs for entertainment, including amusement, diversion, and social activities and any costs directly associated with such (meals, tickets to shows, sports events, transportation, and lodging) should not be paid with institutional funds. There are seven exceptions:

1. The event is part of a formal college-sponsored conference where the cost is recovered from participant fees.
2. The activity is part of a self-supporting instructional program where the participant is charged a fee to cover the cost.
3. The event is funded by student incidental fees, authorized by the institution's student association, and is for the benefit of student group events.
4. The event or activity is approved in a specific grant or contract.
5. The event is primarily designed for students or the cultivation of donors, alumni, or other key constituencies and attendance by employees is a part of their job duties.
6. The activity is part of athletic travel and cost is allowed per appropriate athletic association guidelines.
7. The event is organized or sponsored by a Presidential appointed group.

Hospitality-Related Expenses Not Allowed

Flowers: Flowers, house plants or flower arrangements for offices or as donations or gifts to employees. Plants for public lobby or reception areas are permitted and are managed by Facilities Services. See Employee Gifts below.

Charitable donations to/for any individual or organization: Rare exceptions for gifts of cash may be approved by the President. Gifts of goods or services may be approved by the President, Provost or a Vice President. Receipts (or copies of receipts) for all gifts should be forwarded to the Business Office.

Miscellaneous Supplies: Except as provided by Health Services or Student Services, miscellaneous items for faculty, staff or student personal use, such as break time coffee, tea, bottled water, soda, snacks, candies, over the counter medications et cetera cannot be paid for with institutional funds.

Political expenses: IRS regulations clearly state that tax-exempt section 501(c) (3) organizations are prohibited from participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for public office. Therefore, expenditure of College funds that in any way advocates, or could reasonably be perceived to advocate (or voice opposition to) a political party or candidate for elected office is expressly prohibited.

Gift cards: Because of the tax implications, gift cards cannot be given to employees except as a part of an approved employee recognition plan as explained below.

Employee Gifts:

IRS publication 17 provides very specific guidance regarding taxable income of gifts given to employees which are paid with institutional funds. Due to the complexity of this regulation, as well as the cost to regulate policy, Rocky Mountain College has taken the position that no employee gifts (both tangible and monetary, including gift cards) can be purchased with institutional funds except for gifts given as part of a Human Resource sponsored College wide function, or as a part of a President or Vice President approved plan for employee recognition. Examples include, but are not limited to:

- Employee Christmas Luncheon giveaway
- Employee Length of Service Program
- Performance Recognition Awards
- Employee Picnics
- Memorial flowers upon the death of an employee or an employee's immediate family member

Gifts presented to employees may be subject to applicable Federal and State taxes. Human Resources and Senior Administration must report all employee gifts to the payroll department for processing.