

Business Meals on Sponsored Programs

Quick Reference Guide

Allowability

- The cost of business meals on sponsored programs (G/L account 533615) **may be** allowable as a direct charge to sponsored programs based on the facts and circumstances of the expense and allowability by the sponsor.
- The Business Meals G/L is on the [Questionable Transaction Report \(QTR\)](#) as an item that requires prior approval from the sponsor or was noted in the budget justification.
- This applies to all charges whether using a University credit card, submitting reimbursement requests via the Concur Travel System or personal reimbursement.
- This quick reference does not address meals or refreshments for human subjects participating in an IRB-approved study.

Meal Classifications

Meals can be classified into one of three categories in order to properly assess and determine the allowability of the charge:

1. Meals while on travel status

Meals while on travel status are defined as meal expenses incurred when traveling on out-of-town business trips (conferences, meetings, workshops, etc.) Meal reimbursements will commence from the time you leave home until your return. Travelers will be reimbursed for meal expenses (per-diem or actual) provided they are documented, reasonable, and consistent with federal guidelines and [Purdue's travel guidelines](#).

2. Food charged as part of conferences sponsored or hosted by the University

Per OMB [2 CFR Part 200.432](#), a conference is defined as a meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-Federal entity and is necessary and reasonable for successful performance under the Federal award. Allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of meals and refreshments, local transportation, and other items incidental to such conferences unless further restricted by the terms and conditions of the Federal award. Meals and refreshments may be directly charged to an award if they are specifically budgeted and/or approved by the sponsoring agency.

3. Business Meals

The cost of food/meals while not on travel status will normally not be allowed as a direct charge on sponsored projects, as these costs are considered personal expenses. However, meals while not on travel status may be allowable if:

- a. The sponsor does not specifically disallow such costs AND
- b. The meeting includes significant participation of external collaborators AND
- c. The activity is referenced in the budget justification or approved by the sponsoring agency.

Alcoholic beverages are not allowable on sponsored programs.

Documentation

Documentation to support these costs include:

- a. Attendee roster to include company or institution and business relationship to project.
- b. Business purpose for incurring the expense and how business conducted furthers the goal of the project.
- c. Meeting agenda, including date and location.



Generally Unallowable Meals

Meals that generally are unallowable include those associated with*:

- a. Internal research team meetings (either scientific or administrative)
- b. working lunches
- c. coffee breaks
- d. staff meals
- e. recurring meetings to discuss the progress of an award, or otherwise any other intramural meetings.

If such expenses are incurred, they may be charged to a university fund if University travel and expense guidelines are met per [University Hospitality Policy](#).

*NSF specifically prohibits costs associated with meals and coffee breaks as part of intramural meetings in the NSF Grants Proposal Guide. In addition, the NIH Grant Policy manual states, "recurring business meetings, such as staff meetings, should not be broadly considered as meetings for the primary purpose of disseminating technical information in order to justify charging meals or refreshment to costs to grants."

Responsibilities

Principal Investigators/Faculty

- Anticipate Business Meals and ensure they are included in the original budget, budget justification and proposal sent to the sponsor.
- Responsible for understanding the costing principles.
- Determines the benefit of the Business Meals for the project.

Business Office Personnel

- Ensure that Business Meals were included in the budget and budget justification.
- If not included, then determine if approval is needed and prepare justification with information provided by the researcher.



Sponsored Program Services – Pre Award

- Determine if Business Meals might be expected to be purchased with project funds.
- If so, ensure they are identified and justified adequately in the budget and budget justification.

Sponsored Program Services – Post Award

- Respond to questions regarding Business Meals, costing principles and/or sponsor policy/guidelines.
- Review transactions when preparing financial reports, closing accounts and when conducting other regular reviews to verify the charges are appropriately documented and allowable.
- As appropriate, request sponsor prior approval for Business Meals not justified in the proposal.