Food and Beverage Expenditures

A guide to planning functions where food and beverage will be provided
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Food and Beverages Expenditures

Introduction

This training manual will provide guidance for planning an event or function that includes expenditures for food and/or beverages. University Policy Number 2102, Food and Beverage Expenditures, establishes policies and procedures applicable to all Mason organizations, faculty, staff, students, and individuals that intend to provide food and/or beverages at university expense to Mason faculty, staff, students or their guests.

The following functions are exempt from Policy 2102 requirements:

- Events or functions at which food and beverages expenses are paid solely from participant fees
- Residence hall events that cost less than $100 per event
- Intercollegiate Athletics (ICA) pre/post game meals within per diem maximums related to home competitions
- Student-focused events that cost less than $2,000 per event that are within per diem maximums and primarily benefit Mason prospective students, students and student athletes
- Meals within per diem maximums provided to students who are required to be on campus when Mason meal plans are not available
- Meals within per diem maximums provided to performers and other visitors in conjunction with contractual requirements.

As an Agency of the Commonwealth of Virginia, George Mason University has a public obligation to ensure that all expenditures are essential and reasonable and that they support the mission of the university. As such, state rules prohibit expenditures for employee personal expenses, including meals, snacks and refreshments. Policy 2102 outlines six functions where it is considered appropriate for food and beverage to be served to university personnel.

The six types of functions that qualify for food and beverage expenditures are:

1. Business functions
2. Student Academic functions
3. Student Club functions
4. Student Athlete functions
5. Internal Training functions
6. Other Internal functions

The following expenditures are prohibited (including events that are exempt from Policy requirements):

- Alcoholic beverages
- Flowers (except for commencement ceremonies and specific Admissions events)
- Internal planning, regularly scheduled or routine meetings
- To boost morale or promote goodwill

The procedures for purchasing food and/or beverage for exempt categories as well as the limitations for purchasing food and/or beverage for one of the six types of approved functions will be explained in detail in this manual.
Policy Limitations and Requirements

Mason’s dining services provider, Sodexo, is the preferred caterer and offers an online ordering service. It is not mandatory that units use Sodexo for catering, however, an approved caterer must be used for all events. The list of approved off-campus caterers is available online at Approved Caterers. Before committing to a caterer, verify that they are on the approved list and have registered with eVA. If payment will be billed directly to the university and paid by the Accounts Payable department then the approved caterer must have a Mason G#. Use the G number look up to verify before proceeding with a purchase order. The purchasing procedures vary by event type and payment method. Follow the corresponding procedures to complete food and/or beverage purchases as noted on pg. 7 of this manual.

Authorized Functions

The six functions where it is considered appropriate for food and beverage to be served to university personnel are listed below with an explanation for each function. When purchasing food and/or beverage the Food and Beverages Authorization form is used to document the criteria, limitations and approvals required by the policy. The following paragraphs present detailed explanations of the procedures for completing the Food and Beverages Authorization form and additional required information, based on the type of event, amount of purchase and the vendors’ payment methods. The Quick Guide Checklists summarize these procedures.

<table>
<thead>
<tr>
<th>Function</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business function</td>
<td>Meetings with outside parties involving business discussion. Must be appropriate ration of Mason to non-Mason attendees (Example: Meal with an interview candidate)</td>
</tr>
<tr>
<td>Student Academic function</td>
<td>Events that contribute to the Mason academic mission (Example: Refreshments at commencement ceremony)</td>
</tr>
<tr>
<td>Student Club</td>
<td>Held by student organizations that are funded through the umbrella process (Example: Refreshments at student club induction ceremony)</td>
</tr>
<tr>
<td>Student Athlete</td>
<td>Functions for recruits, qualifying traveler(s), current student athletes and athletic staff as approved by Mason’s Compliance and/or Senior Athletic Staff (Example: food for an event hosted by coach for athletes at start of season)</td>
</tr>
<tr>
<td>Internal training</td>
<td>Formal training session that lasts all day and continues through a meal time. Half-day trainings are only eligible for beverages. (Example: Lunch at Faculty/Staff Enrichment Day)</td>
</tr>
<tr>
<td>Other internal</td>
<td>University recognized event and events supporting University wide initiatives. (Example: Annual University wide Holiday Party)</td>
</tr>
</tbody>
</table>

Business Functions

Lunch is generally the only approved business meal for full day conferences that meet during normal business hours. Written justification is required when circumstances warrant payment for additional food and beverage service.

Ratio of Mason to Non-Mason Attendees

For business functions at which outside parties are in attendance, the appropriate ratio of Mason to non-Mason attendees may vary depending on the facts and circumstances of the event. Consideration of the following examples may be useful when making such determinations. The Senior Approving Official will provide judgement on the appropriate ratio.

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Food and Beverages Expenditures

**Example: High Ratio Appropriate**

| Lunch as part of the interview with a candidate for a dean position. | Dinner with a guest speaker after the speaker has given a presentation |
| 5 Mason individuals to 1 non-Mason individual | 2 Mason individuals to 1 non-Mason individuals |

**Training Retreats**

The determination of whether a departmental retreat is an appropriate internal training function at which food and beverages may be provided will require consideration of the factors surrounding the event.

- **Purpose:** Departmental retreats must be conducted primarily as training functions. The type of training provided will depend on the particular department involved. Retreats that are essentially planning meetings, however, regardless of the location or other factors, cannot be considered to be training events, and are not appropriate functions for food and beverage expenditures.

- **Location:** In order to limit expenditures for rental facilities, retreats should be held at properties owned or leased by Mason. Retreats held at other locations require advance written approval by the Chief of Staff, Senior Vice President, or Provost.

- **Duration:** Retreats involving overnight lodging, regardless of any other factors surrounding the event, are not permitted unless approved in advance by the Chief of Staff, Senior Vice President, or Provost.

- **Frequency:** Training retreats may not be held more often than annually.

**Per Diem Maximums**

Maximum amounts per person are limited to one-and-a-half times the per diem meal allowances for travel. The actual cost per person for food and beverages, including any related service fees, taxes or gratuities, may not exceed the per diem amount allowed for business meals as established under Commonwealth of Virginia regulations. Room rental, linen rental and service ware are not included in the per diem amount.

**2017 Per Diem Maximums (1.5 of the Basic rate)**

<table>
<thead>
<tr>
<th>Washington Metro (Arlington/Fairfax)</th>
<th>Prince William County</th>
<th>Loudon County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast - $24</td>
<td>Breakfast - $16.50</td>
<td>Breakfast - $19.50</td>
</tr>
<tr>
<td>Lunch - $25.50</td>
<td>Lunch – $18.00</td>
<td>Lunch - $22.50</td>
</tr>
<tr>
<td>Dinner - $46.50</td>
<td>Dinner - $34.50</td>
<td>Dinner - $39.00</td>
</tr>
</tbody>
</table>

**Events Which Include Alcohol, Flowers, and/or Exceed Per Diem**

Departments hosting events that include alcohol or exceed the maximum per diem allowance must make arrangements with the vendor for separate invoices to be sent to sponsors outside the University to pay for these items. **These items may not be paid by Mason funds.** Flowers are only authorized for commencement ceremonies, Mason’s annual holiday party, bereavement (approved through Human Resources), certain admissions events and student club events. Only authorized departments/student clubs may purchase flowers.
Food and Beverages Expenditures

**Food and Beverage Authorization and Payment Form**

The Food and Beverage Authorization and Payment Form documents compliance with the Food and Beverage Policy. The criteria, limitations and approvals required by the policy are noted on the form. This multi-purpose document may serve as a pre-event authorization and a supplement to the eVA order or as a post-event reimbursement. For off-campus catering, units will use the standard Food and Beverage form. For Sodexo catered events, units will use the Sodexo online ordering website Catertrax, which includes an online version of the Food and Beverage form.

**List of Attendees**

A listing of the names and organizational affiliations of each person in attendance at events at which food and beverages are provided must be submitted as documentation to support payment. If a listing is impractical to provide, a written explanation to that effect must be submitted.

**Required Approval**

All expenditures for food and beverages require the approval of the official for the departmental fund/org to which the expenditure is being charged and approval by the Senior Approving Official (except Student Club functions). George Mason University officials in the positions listed below have authority to approve food and beverages expenditures for functions and events using University funds. Many of these officials have delegated approval authority to subordinates. The current list will be on the Fiscal Services website, under “Important Links” select Senior Approving Officials.

<table>
<thead>
<tr>
<th>Official</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief of Staff</td>
</tr>
<tr>
<td>Provost/Executive Vice President, Academic Affairs</td>
</tr>
<tr>
<td>Senior Vice President for Administration and Finance</td>
</tr>
<tr>
<td>Vice President, Communications and Marketing</td>
</tr>
<tr>
<td>Vice President, Compliance, Diversity and Ethics</td>
</tr>
<tr>
<td>Vice President, Facilities</td>
</tr>
<tr>
<td>Vice President, Government and Community Relations</td>
</tr>
<tr>
<td>Vice President, Information Technology Unit</td>
</tr>
<tr>
<td>Vice President, University Advancement and Alumni Relations</td>
</tr>
<tr>
<td>Vice President, University Life</td>
</tr>
<tr>
<td>Dean of the College of Education and Human Development</td>
</tr>
<tr>
<td>Dean of the College of Health and Human Services</td>
</tr>
<tr>
<td>Dean of the College of Humanities and Social Sciences</td>
</tr>
<tr>
<td>Dean of the Volgenau School of Engineering</td>
</tr>
<tr>
<td>Dean of the School of Law</td>
</tr>
<tr>
<td>Dean of the School of Business</td>
</tr>
<tr>
<td>Dean of the School of Public Policy, Government and International Affairs</td>
</tr>
<tr>
<td>Dean of the College of Science</td>
</tr>
<tr>
<td>Dean of the College of Visual and Performing Arts</td>
</tr>
<tr>
<td>Dean of the School for Conflict Analysis and Resolution</td>
</tr>
<tr>
<td>Assistant Vice President/Director of Intercollegiate Athletics</td>
</tr>
<tr>
<td>Director of the Krasnow Institute for Advanced Study</td>
</tr>
<tr>
<td>Associate Vice President of Research Operations</td>
</tr>
<tr>
<td>Associate Provost for Academic Administration</td>
</tr>
</tbody>
</table>

April 2017
Purchasing Procedures

The purchasing procedures vary by event type and payment method. Follow the corresponding procedures to complete food and/or beverage purchases. Procedures for functions that are exempt from the Food and Beverage Policy are located on page 12 of this manual.

Required Documentation

<table>
<thead>
<tr>
<th>EVENT TYPE</th>
<th>VENDOR WILL INVOICE</th>
<th>REIMBURSEMENT TO INDIVIDUAL</th>
<th>SODEXO CATERING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Function</td>
<td>• eVA Purchase Order</td>
<td>• Completed/Approved Food &amp; Beverage Authorization Form</td>
<td>• Completed/Approved Sodexo Event contract</td>
</tr>
<tr>
<td>Student Academic</td>
<td>• Completed/Approved Food &amp; Beverage Authorization Form</td>
<td>• List of attendees</td>
<td>• Final confirmation at least 3 days before event</td>
</tr>
<tr>
<td>Student athlete</td>
<td>• List of Attendees</td>
<td>• Original itemized receipt</td>
<td>• List of attendees</td>
</tr>
<tr>
<td>Internal Training</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Internal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student club</td>
<td>• eVA Purchase Order approved by fund/org approver and approving official for Umbrella org.</td>
<td>• Completed/Approved Food &amp; Beverage Authorization Form</td>
<td>• Completed/Approved Sodexo Event contract</td>
</tr>
<tr>
<td>All events over $2,000</td>
<td>• eVA Purchase Order</td>
<td>• Original itemized receipt</td>
<td>• Final confirmation at least 3 days before event</td>
</tr>
<tr>
<td></td>
<td>• Completed/Approved Food &amp; Beverage Authorization Form</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• List of Attendees</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><em>Not Allowable</em></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For category and payment type checklists please see Food & Beverage Checklists

Instructions for Completing the Food and Beverage Form

Units will complete the Non-Sodexo Food and Beverage form where appropriate. For Sodexo catered events, units will utilize the Sodexo online ordering system which includes an online version of the Food and Beverage form. The following instructions will assist with completing the form.

Optional Tracking #/Event Contract # – The Optional Tracking # on the Non-Sodexo form may be used by the department to enter their own tracking number if desired. When used, the number entered will appear as a reference in Banner to track the expenditure on the department’s financial records. The number should be unique for each event. The Accounts Payable office will reference the Event Contract # in Banner to assist in reconciling department financial records.

Vendor/Payee Information – Enter the vendor or payee (for reimbursement) information as noted on the Non-Sodexo form.

Department Information – Enter the department information as noted on the form. If multiple fund/orgs will be charged, indicate the amount to be allocated to each fund/org. If more than one fund/org will be charged for the purchase and multiple Senior Approving Officials will be required then a separate Food and Beverage form should be completed for each fund/org being charged. Also include the five-digit account code used to record the expense.
Food and Beverages Expenditures

The following Account codes are used to record Food and Beverages Expenditures:

- 73640 Catered meals and prepared food. This includes catering by Sodexo, other catering services such as Domino’s Pizza, and any prepared food purchased at a retail operation.
- 74620 Unprepared food and beverages purchased through retail locations such as Giant Foods.
- 73880 Meal costs incurred during business meetings or recruiting.
- 73881 Meals with employment candidates.

Event Information – Enter the details of the event including the estimated Number of Persons attending. The actual number of attendees will be used for determining compliance with maximum per diem limitations. Complete the Actual Amount field and attach the list of attendees once the event is complete, if a tentative list was provided initially.

Purpose of Event – Check the box that corresponds with the planned event. Provide a clear and detailed description of who attended, including their affiliation, and what the reason for the event (e.g. type of training). Example: Business meal with Amy Jones, Oculus research administrator, to develop research funding at CEHD.

Signatures – Obtain necessary signatures. Signature of Payee is required for Non-Sodexo events where payment will be made by reimbursement to a Mason employee or student. A signature card must be on file with Accounts Payable for the Approving Official for the fund/org being charged. The Senior Approving Official for the unit must sign. For student clubs, the Approving Official for the Umbrella Organization must sign.

Instructions for Processing an eVA Order

An eVA purchase order must be processed when the caterer will invoice the university for food, beverage and/or related services. The eVA order should be completed prior to the event date. The completed and approved Food and Beverage authorization form and the list of attendees or tentative list should be attached to the eVA purchase order. An eVA order is not required for Sodexo catered events. For instructions on processing an eVA order please see the Basic eVA Overview. Orders that are placed over the phone must be entered into eVA as Confirming Orders. The Confirming Order Quick Guide may be used to assist with processing an eVA order when the purchase is made over the phone with a P-Card. Orders that are picked up and paid for at the vendor location are considered over the counter purchases and are exempt from the eVA process. No eVA order is required for over the counter purchases.

Planning Example: All Event Types (except Student Club) under $2,000 when the Vendor will invoice
Special Procedures for eVA Pizza Orders

There are several pizza establishments that are eVA registered vendors and will accept an eVA purchase order (EP) in exchange for pizza. These vendors also offer discounted Mason pricing. When using these vendors, complete a Food and Beverages Authorization form and obtain required signatures (as described above). The order may be placed by phone with the vendor in advance of the desired delivery date and time so a total cost, including tip, can be determined. Prepare a non-catalog order in eVA (See eVA Quick Reference for Noncatalog Orders). Print two copies of the completed EP. When the pizza is delivered, one copy of the EP is given to the delivery person. The second copy, annotated with the date received, account code (73640), fund/org and appropriate signature, is sent with the approved Food and Beverages Authorization form (if required) and original itemized receipt to Accounts Payable. Detailed procedures are in the eVA Pizza Orders quick guide in Appendix B and on line under eVA resources on the Fiscal Services website at Pizza Order Quick Guide.

Purchasing Charge Card (VISA/P-Card)

Policy Exceptions: The P-Card may be used for Food and Beverage Policy exceptions. The P-Card doesn’t required a lift and may be used to purchase food and beverage items at grocery (Giant, Safeway, etc.) or general merchandise stores that carry food (Wal-Mart, Target, etc.) without the submission of a P-Card Waiver. Dedicated food establishments (restaurants, take-out, etc.) may still require a lift based on credit card merchant restrictions. A P-Card Food and Beverage Waiver should be submitted to the P-Card Office 2 days prior to the purchase. Comments in Bank of America Works reflecting the type of purchase along with receipts are required. Confirming orders are required unless the purchase is made over-the-counter (in person, at the establishment).

Food and Beverage Policy functions: The P-Card may not be used to purchase food and beverage for events or functions under the Food and Beverage Policy. Cardholders may request a temporary lift to allow food and beverage to be purchased with the P-Card. A P-Card Food and Beverage Waiver may be submitted to the P-Card office for approval. If a waiver is granted, then the completed Food and Beverage Authorization form, attendee list, applicable receipts and comments in Bank of America Works are required. Confirming orders are required unless the purchase is made over-the-counter (in person, at the establishment).
Food and Beverages Expenditures

Food and Beverage Checklists

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**ALL EVENT TYPES for Non-Sodexo Orders, except Student Club**

### Payment Method: Vendor Will Invoice

- eVA Order
- Food and Beverage Authorization form
- Vendor information completed
- Dept. information completed
- Correct fund/org noted
- eVA Order recorded
- Estimated number of attendees
- Estimated amount within Per Diem limit
- Function type noted
- Description/Purpose noted
- Signature of fund/org Approver
- Signature of Senior Approving Official
- List of Attendees (finalized after event)
- Cost per person within Per Diem limit
  (actual amount updated after event)

### Payment Method: Reimbursement

- Food and Beverage Authorization form
- Payee information completed
- Dept. information completed
- Correct fund/org noted
- Estimated number of attendees
- Estimated amount within Per Diem limit
- Function type noted
- Description/Purpose noted
- Signature of fund/org Approver
- Signature of Senior Approving Official
- List of attendees (finalized after event)
- Original, itemized receipts and proof of payment
- Cost per person within Per Diem limit
  (actual amount updated after event)

### Payment Method: Mason Purchase Card (P-Card)

The P-Card may not be used to purchase food and beverage for events or functions under the Food and Beverage Policy. Cardholders may request a temporary lift to allow food and beverage to be purchased with the P-Card. A [P-Card Food and Beverage Waiver](#) may be submitted to the P-Card office for approval.

**If a waiver is granted:**

- Completed Food and Beverage Authorization form (as noted for Vendor will Invoice)
- List of attendees uploaded to Bank of America Works
- Original, itemized receipts uploaded to Bank of America Works
- Comments in Bank of America Works
- Food and Beverage Authorization form uploaded to Bank of America Works transaction

- No Alcohol
- No Flowers (except for commencement ceremonies/limited, specific Admissions events)
- Maximum amounts per person (1.5% of basic rate) effective October 1, 2016:
  - Washington Metro Area (Arlington, Fairfax) – Breakfast $24, Lunch $25.50, Dinner $46.50
  - Prince William County (SciTech) – Breakfast $16.50, Lunch $18, Dinner $34.50
  - Loudoun County – Breakfast $19.50, Lunch $22.50, Dinner $39
Food and Beverages Expenditures

Event Type: Student Clubs

Payment Method: Vendor Will Invoice

_____ eVA Order
_____ Signature of fund/org Approver
_____ Signature of Approving Official for Umbrella Org
_____ Cost per person within Per Diem limits

Payment Method: Reimbursement

_____ Food and Beverage Authorization or Payment Request Form
_____ Signature of fund/org Approver
_____ Signature of Approving Official for Umbrella Org
_____ Completed Payee Information
_____ Description/Purpose of Event
_____ Function Type noted (for F&B form)
_____ Original receipt and proof of payment
_____ Cost per person within Per Diem limits

Not Required

*Food and Beverage Authorization form
*Signature of Senior Approving Official
*List of Attendees

✓ No Alcohol
✓ No Flowers (except for commencement ceremonies/limited, specific Admissions events)
✓ Maximum amounts per person (1.5% of basic rate) effective October 1, 2016:
✓ Washington Metro Area (Arlington, Fairfax) – Breakfast $24, Lunch $25.50, Dinner $46.50
✓ Prince William County (SciTech) – Breakfast $16.50, Lunch $18, Dinner $34.50
✓ Loudoun County – Breakfast $19.50, Lunch $22.50, Dinner $39
Procedures for Exempt Purchases

The provisions of the Food and Beverage Policy 2101 do not apply to the following events. Procedures specific to these exemptions are listed below. When using Sodexo Catering for an exempt event, please refer to the Sodexo section of the manual on page 14.

- Events or functions at which food and beverages expenses are paid solely from participant fees
- Residence hall events that cost less than $100 per event
- Intercollegiate Athletics (ICA) pre/post game meals within per diem maximums related to home competitions
- Student-focused events that cost less than $2,000 per event that are within per diem maximums and primarily benefit Mason prospective students, students and student athletes
- Meals within per diem maximums provided to students who are required to be on campus when Mason meal plans are not available
- Meals within per diem maximums provided to performers and other visitors in conjunction with contractual requirements.

*Confirming Orders are required unless the purchase is made over-the-counter (in person, at the establishment).

All events must be within per diem maximums (excluding Participant Funded events)
### Event Type

<table>
<thead>
<tr>
<th>Event Type</th>
<th>Comment (in Works, eVA, on F&amp;B or Sodexo form)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant Funded</td>
<td>“Paid solely with participant fees”</td>
</tr>
<tr>
<td>Residence Hall &lt;$100</td>
<td>“Residences Hall event – (Name of Residence Hall event)”</td>
</tr>
<tr>
<td>ICA pre/post game</td>
<td>“Team Meal (identify meal type - B, L, D) within per diem”</td>
</tr>
<tr>
<td>Student focused &lt;$2000</td>
<td>“Student focused event under $2K within per diem”</td>
</tr>
</tbody>
</table>

When meals are provided to performers and other visitors in conjunction with contractual requirements the following documentation is required based on payment type. **Meals must be within per diem limits.**

<table>
<thead>
<tr>
<th>P-Card</th>
<th>AP/Invoice/Sodexo</th>
<th>Reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Confirming Order (unless purchased ‘over the counter’)</td>
<td>1. eVA Purchase Order (or Sodexo online order)</td>
<td>1. Payment Request Form</td>
</tr>
<tr>
<td>2. P-Card (Lift) Waiver for dedicated food establishments ONLY</td>
<td>2. Vendor Invoice submitted to Accounts Payable</td>
<td>2. Itemized Receipt</td>
</tr>
<tr>
<td>3. Itemized receipt upload to Works</td>
<td></td>
<td>3. Proof of purchase (credit/debit card slip)</td>
</tr>
<tr>
<td>4. Comment in Bank of America, eVA or on Payment Request Form: “Contractual Meal – (Name of Performer) within per diem”</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

When meals are provided to students, who are required to be on campus when Mason meal plans are not available, the following documentation is required based on payment type. **Meals must be within per diem maximums.**

<table>
<thead>
<tr>
<th>P-Card</th>
<th>AP/Invoice</th>
<th>Reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Confirming Order (unless purchased ‘over the counter’)</td>
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<td>2. P-Card (Lift) Waiver for dedicated food establishments ONLY</td>
<td>2. Vendor Invoice submitted to Accounts Payable</td>
<td>2. Itemized Receipt</td>
</tr>
<tr>
<td>3. Itemized receipt upload to Works</td>
<td></td>
<td>3. Proof of purchase (credit/debit card slip)</td>
</tr>
<tr>
<td>4. Comment in Bank of America, eVA or on Payment Request Form: “Mason meal plans not available – within per diem”</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Procedures for Using Sodexo Catering

This section addresses the procedures for Sodexo Catering Services. All faculty, staff and student organizations at George Mason University must adhere to the Food and Beverage Policy. Checklists to help verify that correct procedures are completed may be used as an additional resource. The Sodexo Checklists and instructions are also available online at the Fiscal Services Website at Use Sodexo.

The contractual relationship between Mason and Sodexo allows for catering events to be treated as internal functions rather than purchases of services from an external source. A version of the Food and Beverages Authorization form is built into the Sodexo online catering event contract, which lists the specific criteria, limitations, and approvals required, by the policy, and pre-event invoice approval for Sodexo services. All orders for Sodexo Catering must be placed utilizing the online ordering system Catertrax.

For all events, except Student Club functions, the department should access Catertrax, complete the event requirements, order details and built in Food and Beverage Authorization information. Sodexo will email/fax an Event Contract to departments requesting a catered event. The department must also prepare a list of attendees, or attach a statement that such a list is impractical to provide. The required officials must provide authorization by email. The signed Event Contract and list of attendees are then emailed/faxed to Sodexo by the department. The catering office must receive these required documents three days prior to the event to confirm the contract. After the event, Sodexo will send all documents to Accounts Payable with the original invoice. The department will receive a courtesy copy of the invoice by fax or email from Accounts Payable. The department has five days to review the invoice and notify Accounts Payable by fax or email of any discrepancies. If no discrepancies are noted within five days, Accounts Payable will pay the invoice.

For Student Club functions, the request for Sodexo catering should be completed using Catertrax. A version of the Food and Beverages Authorization form is built into the Sodexo online catering event contract, which lists the specific criteria, limitations, and approvals required, by the policy, and pre-event invoice approval for Sodexo services. The required Umbrella Official rather than a Senior Approving Official must give approval for the function by email to Sodexo. The signed Event Contract, with built in Food and Beverage form, serves as the only form of authorization by the department for this expenditure. Student clubs are not required to prepare a list of attendees. After the event, Sodexo will send the Event Contract and invoice to Accounts Payable.

For Food and Beverage Policy Exceptions, the department should access Catertrax, complete the event requirements, order details and built in Food and Beverage Authorization information. A comment must be entered that identifies the event as exempt for the Food and Beverage Policy (e.g. “Student focused event under $2K within per diem”). Sodexo will email/fax an Event Contract to departments requesting a catered event. The department should choose “F&B Exception” from the Senior Approving Official listing since this approval is not required. The department must provide the email address of the fund/org approver for the event. The required officials must provide authorization by email. The signed Event Contract is then emailed/faxed to Sodexo by the department. The catering office must receive the required documents three days prior to the event to confirm the contract. After the event, Sodexo will send all documents to Accounts Payable with the original invoice. The department will receive a courtesy copy of the invoice by fax or email from Accounts Payable. The department has five days to review the invoice and notify Accounts Payable by fax or email of any discrepancies. If no discrepancies are noted within five days, Accounts Payable will pay the invoice.
Sodexo – Food and Beverage Checklist

### ALL EVENT TYPES for Sodexo Orders

<table>
<thead>
<tr>
<th>All Event Types (except Student Club)</th>
<th>Student Club Functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>_____Sodexo Online Order</td>
<td>_____Sodexo Online Order</td>
</tr>
<tr>
<td>_____Food and Beverage Authorization information</td>
<td>_____Food and Beverage Authorization information</td>
</tr>
<tr>
<td>_____Dept. information completed</td>
<td>_____Dept. information completed</td>
</tr>
<tr>
<td>_____Correct fund/org noted</td>
<td>_____Correct fund/org noted</td>
</tr>
<tr>
<td>_____Estimated number of attendees</td>
<td>_____Estimated number of attendees</td>
</tr>
<tr>
<td>_____Estimated amount within Per Diem limit</td>
<td>_____Estimated amount within Per Diem limit</td>
</tr>
<tr>
<td>_____Function type noted</td>
<td>_____Function type noted</td>
</tr>
<tr>
<td>_____Description/Purpose noted</td>
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<tr>
<td>_____Signature of fund/org Approver</td>
<td>_____Signature of Fund/Approver</td>
</tr>
<tr>
<td>_____Signature of Senior Approving Official</td>
<td>_____Signature of Approving Official for Umbrella Organization</td>
</tr>
<tr>
<td>_____List of Attendees (finalized after event)</td>
<td>_____List of Attendees (finalized after event)</td>
</tr>
<tr>
<td>_____Cost per person within Per Diem limit</td>
<td>_____Cost per person within Per Diem limit</td>
</tr>
<tr>
<td>(actual amount updated after event)</td>
<td>(actual amount updated after event)</td>
</tr>
</tbody>
</table>

- ✓ No Alcohol
- ✓ No Flowers (except for commencement ceremonies/limited, specific Admissions events)
- ✓ Maximum amounts (1.5% of basic rate) per person effective October 1, 2016:
  - ✓ **Washington Metro Area (Arlington, Fairfax)** – Breakfast $24, Lunch $25.50, Dinner $46.50
  - ✓ **Prince William County (SciTech)** – Breakfast $16.50, Lunch $18, Dinner $34.50
  - ✓ **Loudoun County** – Breakfast $19.50, Lunch $22.50, Dinner $39
Procedures for Multiple Food Servings

Departments sometimes make arrangements with Sodexo to cater a function that includes multiple food servings (e.g., an all-day workshop that includes breakfast, lunch, and an afternoon snack.) Departments may prepare one Food and Beverages Authorization form for the entire function by following the procedures described below.

1. Sodexo creates a separate event contract each time food is served. Sodexo will email/fax the event contracts with the contract numbers and cost for each event associated with the function.
2. The department must contact Sodexo to assure that all events will be included on one invoice.
3. Enter the date(s), time(s) and location(s) for the entire function on the online form.
4. Verify that the dollar amount does not exceed the total per person amount authorized by the Food and Beverages policy (see applicable checklist for allowable amounts). This information may be obtained from the event contracts.
5. Have the Senior Approving Official authorize the purchase, usually by email correspondence with Sodexo.
6. Submit the signed Event Contract(s) to Sodexo with the list of attendees (if required) at least three days prior to the events.
Sales and Use Tax

All catered events payable directly to the vendor using by P-Card or eVA Order, including those catered by Sodexo, are exempt from sales and use taxes as long as the event: (a) supports the mission of the university and (b) is considered essential to the operation of the university. Catered events of this type may be paid using Mason funds. Events supported by participant funds are also tax exempt provided they meet the criteria listed above.

University-sponsored event expenses that do not support the university mission include: retirement parties, employee going away parties, office holiday parties and birthday celebrations. Catered events of this type cannot be paid for using Mason funds and are not tax exempt.

Example: Mason holds a banquet to recognize outstanding students and purchases catering services through Sodexo. The invoice includes charges for the catered food, charges for servers and charges for event set up and take down. Mason pays the invoice through Accounts Payable. The entire invoice is exempt from the sales and use tax.

For additional guidance related to sales and use tax please see Appendix C of this manual.

Unallowable Expenditures

Commonwealth of Virginia regulations impose certain restrictions on the use of university funds. Per person amounts for food and beverages expenditures are limited to no more than one-and-a-half times the individual meal components in the travel per diem allowances. The University is prohibited from paying for alcohol and flowers (except for commencement ceremonies and limited specific Admissions events).

Events that include alcohol, flowers, or amounts exceeding state limitations must be paid using non-university funding. Departments hosting events that include alcohol, flowers (except for commencement ceremonies and limited specific Admissions events), or per person expenditures in excess of the per diem allowance must make arrangements with Sodexo (or other vendor) for separate invoices to be sent to sponsors outside the university to pay for these items.

Events Funded by George Mason University Foundation

Departments are responsible for obtaining alternative sources of payment for all unallowable expenditures. Often a department will charge these expenditures to their Mason Foundation account. Payment arrangements should be made with Sodexo (or other vendor) prior to the event to allow generation of separate invoices for each portion of the bill. The department must also contact the Foundation prior to the event to receive an FO number. This number is used as authorization from the Foundation that funds are available.

Sodexo will send the Foundation invoice directly to the department. The department should prepare a Foundation voucher, attach the Sodexo invoice, and submit the documents to the Foundation for payment. In the event Accounts Payable receives an invoice with unallowable expenditures, the allowable portion of the invoice will be paid, and the department will be notified of the unpaid items balance and directed to arrange an alternative method of payment. The department must then notify the Foundation to receive an FO number, and request Sodexo to amend the invoice to include billing for taxes. The department prepares a Foundation voucher to submit with the amended invoice to the Foundation for payment.

April 2017
## Resources

<table>
<thead>
<tr>
<th>Department</th>
<th>Assistance Provided</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>Vendor Invoices, Reimbursements, Food and Beverage Form</td>
<td>PH: 3-2580 Email: <a href="mailto:acctpay@gmu.edu">acctpay@gmu.edu</a></td>
</tr>
<tr>
<td>Fiscal Policy</td>
<td>Understanding of Fiscal Policy and Procedures</td>
<td>PH: 3-2089 Email: <a href="mailto:hstrange@gmu.edu">hstrange@gmu.edu</a></td>
</tr>
<tr>
<td>Use Off-Campus Caterers</td>
<td>Web resources for off-campus catering</td>
<td><a href="http://fiscal.gmu.edu/use-off-campus-caterers/">http://fiscal.gmu.edu/use-off-campus-caterers/</a></td>
</tr>
<tr>
<td>Sodexo Catering, Louise Svahnqvist, Catering Director</td>
<td>Sodexo online ordering and catering</td>
<td>PH: 3-3020 Email: <a href="mailto:catering@gmu.edu">catering@gmu.edu</a></td>
</tr>
<tr>
<td>Use Sodexo Catering</td>
<td>Web resources for Sodexo catering</td>
<td><a href="http://fiscal.gmu.edu/accounts">http://fiscal.gmu.edu/accounts</a> payable/use-sodexo/</td>
</tr>
<tr>
<td>Training Materials &amp; Checklists</td>
<td>Web resources for training materials and checklists</td>
<td><a href="http://fiscal.gmu.edu/training/obtain-training-materials/">http://fiscal.gmu.edu/training/obtain-training-materials/</a></td>
</tr>
</tbody>
</table>
Food and Beverage Expenditures

University Policy Number 2102

Categorized: Financial
Responsible Office: Fiscal Services
Policy Procedure:

- Food and Beverage Expenditures Guide
- Food and Beverages Checklist

Related Law & Policy:

- Policy 2101: Travel Authorization and Reimbursement
- Policy 6: Student Organizations and Activities Financial Policies and Purchasing Procedures

I. Scope

The policies and procedures provided herein apply to all George Mason University organizations, faculty, staff, students and all organizations and individuals that intend to provide food and/or beverages and any related services to Mason faculty, staff, students or their guests at university expense.

The provisions of this policy do not apply to:

- Events or functions at which food and beverages expenses are paid solely from participant fees
- Residence hall events that cost less than $100 per event
- Intercollegiate Athletics (ICA) pre/post game meals within per diem maximums related to home competitions
- Student-focused events that cost less than $2,000 per event that are within per diem maximums and primarily benefit Mason prospective students, students and student athletes
- Meals within per diem maximums provided to students who are required to be on campus when Mason meal plans are not available
- Meals within per diem maximums provided to performers and other visitors in conjunction with contractual requirements.

II. Policy Statement

April 2017
As an Agency of the Commonwealth of Virginia, George Mason University has a public obligation to ensure that all expenditures are essential and reasonable and that they support the mission of the university. As such, state rules prohibit expenditures for employee personal expenses, including meals, snacks and refreshments. There are limited circumstances in which it is considered appropriate to provide food and beverages to personnel who are not in travel status. (See University Policy Number 2101, Travel Authorization and Reimbursement, for rules regarding meals and other expenses while on overnight travel.)

III. Responsibilities

Approving Officials for departmental funds and organizations to which food and beverage expenditures are charged have the responsibility to determine that such expenditures constitute a proper use of state funds and that they meet the provisions of this policy.

The Senior Approving Officials have the responsibility to review and monitor the functions and events that they approve. Such approval will certify that the expenditure is appropriate and meets the provisions of this policy.

The Associate Vice President and Controller has the responsibility to administer and oversee the provisions of this policy as they pertain to the proper use of university funds.

Food and beverage expenditures must be approved in advance of the event and/or purchase.

IV. Guidelines for Appropriate Food and Beverages Expenditures

The functions or events at which it is considered appropriate for food and beverages to be served to university personnel are limited to the following:


Food and beverages may be provided at business meetings that involve substantive and bona fide business discussions with an outside party or parties in attendance. The primary beneficiaries of such functions are the non-Mason attendees. As such, the ratio of Mason to non-Mason attendees must be appropriate to the circumstances of the event. Meals at which interview candidates are hosted are included in this category. (See section IX of this policy.) Business meals are not an allowable charge on federally sponsored funds.

2. Student Academic Function.

Food and beverages may be provided at student functions that contribute to the academic mission of the university. Current and prospective students are the primary beneficiaries at such events. Food and beverages provided at the commencement ceremony are included in this category.

3. Student Club Function.
Food and beverages may be provided at functions that are approved in accordance with the University’s Administrative Policy No. 6, Student Organizations and Activities Financial Policies and Purchasing Procedures.

4. **Student Athlete Function.**
   Food and beverages may be provided to recruits, qualifying traveler(s), current student athletes and athletic staff as approved by Mason’s Compliance and/or Senior Athletic staff.

5. **Internal Training Function.**
   Food and beverages may be provided to participants of a formal training session that lasts all day when business is conducted through the time of the meal. Beverages only may be provided at a training session that lasts at least half a day. Departmental retreats may be included in this category provided they are conducted primarily as training functions, are held at a Mason-owned facility, do not require overnight lodging, and do not occur more frequently than annually. (See section IX of this policy.) University employees are the primary beneficiaries at such functions.

6. **Other Internal Function.**
   This category is generally reserved for university recognized events, such as the annual university-wide holiday party or events supporting university-wide initiatives. Approving officials for these events are limited to the Chief of Staff, Senior Vice President and Provost.

**V. Requirements and Limitations**

This policy establishes the following requirements and limitations regarding appropriate expenditures for food and beverages:

1. Food and beverages may be provided only at functions or events that meet the criteria listed in section III of this policy.

2. The actual cost per person for food and beverages, including any related service fees or gratuities, may not exceed the per diem amount allowed for business meals as established under Commonwealth of Virginia regulations. These meal rates are available at the Fiscal Services website. The per diem rates are listed by locality and include individual components for breakfast, lunch and dinner. These individual component meal rates may be increased up to 50% for all functions allowed under this policy.

3. A listing of the names and organizational affiliations of each person in attendance at events at which food and beverages are provided must be submitted as documentation to support payment. If a listing is impractical to provide, a written explanation to that effect must be submitted.

April 2017
(4) Food and beverages may not be provided to promote goodwill or boost morale. This restriction is based on current tax laws and is intended to avoid the necessity of including the value of such meals in an employee’s taxable income. This restriction, however, does not prohibit the university from providing food and beverages of minimal value to employees at occasional events such as the annual university wide holiday party.

(5) Food and beverages may not be provided at planning meetings, regularly scheduled or routine meetings, or as a perquisite.

(6) Documentation to support food and beverage expenditures at functions that are training retreats must include a description of the type of training provided.

(7) Reimbursement requests for business meals must be supported by an original itemized receipt.

(8) Alcoholic beverages and flowers may not be provided at university expense.

**VI. Required Approvals**

The fact that the reconciliation was performed must be documented by certifications that are signed and dated by the individual who performed the initial reconciliation as well as by the approver or PI responsible for review of the reconciliation. Electronic certification, including email certification, is preferred.

**VII. Senior Approving Officials**

*Chief of Staff*
*Provost, Executive Vice President, Academic Affairs*
*Senior Vice President for Administration and Finance*
*Vice President, Compliance, Diversity and Ethics*
*Vice President for Facilities*
*Vice President for Information Technology Services*
*Vice President for University Advancement and Alumni Relations*
*Vice President for University Life*
*Dean of the College of Education and Human Development*
*Dean of the College of Health and Human Services*
*Dean of the College of Humanities and Social Sciences*
*Dean of the Volgenau School of Engineering*
*Dean of the Antonin Scalia Law School*
*Dean of the School of Business*
*Dean of the Schar School of Policy and Government*
Dean of the College of Science
Dean of the College of Visual and Performing Arts
Dean of the School for Conflict Analysis and Resolution
Director of Intercollegiate Athletics
Director of the Krasnow Institute for Advanced Study
Associate Vice President of Research Operations
Associate Provost, Academic Administration

VIII. Ratio of GMU to Non-GMU Attendees

For business functions at which outside parties are in attendance, the appropriate ratio of Mason to non-Mason attendees may vary depending on the facts and circumstances of the event. Consideration of the following examples may be useful when making such determinations.

Example 1 – High Ratio Appropriate

The interview process for a high level position, such as dean or director, frequently includes a meal at which the candidate is hosted. An appropriate ratio of Mason to non-Mason attendees at such a meeting might be five-to-one or higher, depending on the organizational level of the position and other factors. Mason representatives at these events typically include other deans, directors, vice presidents, or other officials. This ratio would be considered appropriate and consistent with current recruitment practices at other public universities.

Example 2 – Low Ratio Appropriate

Outside speakers are sometimes guests at a meal at the university’s expense following their lecture or presentation. The appropriate ratio of Mason to non-Mason attendees at such events would typically be no higher than two-to-one. In these circumstances, a higher ratio would be difficult to support in a public scrutiny test.

IX. Training Retreats

The determination of whether a departmental retreat is an appropriate internal training function at which food and beverages may be provided will require consideration of the factors surrounding the event.

Purpose

Departmental retreats must be conducted primarily as training functions. The type of training provided will depend on the particular department involved. Retreats that are essentially planning meetings, however,
regardless of the location or other factors, cannot be considered to be training events, and are not appropriate functions for food and beverage expenditures.

Location

In order to limit expenditures for rental facilities, retreats should be held at properties owned or leased by Mason. Retreats held at other locations require advance written approval by the Chief of Staff, Senior Vice President, or Provost.

Duration

Retreats involving overnight lodging, regardless of any other factors surrounding the event, are not permitted unless approved in advance by the Chief of Staff, Senior Vice President, or Provost.

Frequency

Training retreats may not be held more often than annually.

X. Dates:

A. Effective Date:

This policy will become effective upon the date of approval by the Senior Vice President for Administration and Finance and the Provost and Executive Vice President.

B. Date of Most Recent Review:

1/17/2017

XI. Timetable for Review

This policy, and any related procedures, shall be reviewed and revised, if necessary, annually to become effective at the beginning of the university’s fiscal year, unless otherwise noted.

XII. Signatures

Approved:

/S

Maurice W. Scherrens
Senior Vice President
Food and Beverages Expenditures  Appendix A

/S
Peter N. Stearns
Provost

Date Approved: February 10, 2003

Revision Approved: October 18, 2010

Revised: August 1, 2012

Revised: February 11, 2013

Revision Approved: February 22, 2017*
Food and Beverages Expenditures

Appendix B

Food and Beverages Authorization and Payment Form

Vendor/Payee Information

Name: 
G Number: 
Address: 
City: State: Zip Code: 
Phone: Fax: 
Contact Person: 

Check if Authorization Only

Department Information

Department Name: 
Phone: Fax: 
Fund or Org(s) to be charged: 
Contact Person: 

Optional Tracking # for

Event Information

Date: Start Time: 
End Time: Location: 

# of Attendees: X Maximum per Person: = Estimated Amount: 

*Actual Amount: 

*Insert amount upon event completion

Attach list of attendees and their organizational affiliation (not required for student club functions or events funded by participant fees). (See Administrative Policy No. 2102, “Food and Beverages Expenditures,” at Policy 2102, http://universitypolicy.gmu.edu/.

Purpose of Event (must meet one of the following criteria). Please check one:

1. Business Function: Expenditures necessary to conduct official University business; the ratio of GMU to non-GMU attendees is appropriate. Lunch is generally the only approved business meal for a full-day conference that meets during normal business hours. Written justification is required when circumstances warrant payment for additional food and beverage service.

2. Student Academic Function: Must contribute to the academic mission of the University. Explain under “Purpose”.

3. Student Club Function: Funding approved through student umbrella process.

4. Student Athlete Function: May be provided to recruits, qualifying travelers, current student athletes and athletic staff as approved by Mason’s Compliance and/or Senior Athletic Staff.

5. Internal Training Function: Food may be provided to participants in a formal training session that lasts all day with business conducted through the time of the meal. Beverages only are allowed at a training session that lasts at least half a day.

6. Other Internal Function: Generally reserved for University recognized events such as the annual University wide holiday party or events supporting University-wide initiatives. Explain under “Purpose.” Must be approved by the Chief of Staff, Provost or Senior VP (delegated to the Controller).

“Purpose”:

GMU Will Not Pay For: Alcoholic beverages, flowers or food and beverages at internal planning or other meetings.

Signatures (Lines 1, 2, and 3 for reimbursements; Lines 2 and 3 only for vendor payments)

1. Signature of payee for Mason employee or student 
   (Signature certifies that this is a necessary and appropriate expenditure that has not been nor will be reimbursed by another party.) 
   Printed Name: 
   Title: 
   Date: 

2. Signature of Approving Official for Fund/Org OR 
   Supervisor if Payee is Approving Official for Fund/Org 
   Printed Name: 
   Title: 
   Date: 

3. Signature of Senior Approving Official* 
   Printed Name: 
   Title: 
   Date: 

*Not required for Student Club Functions or Events Funded by Participating Fees

*Senior Approving Officials

April 2017
Appendix C

Purchasing & Accounts Payable
4400 University Drive, MS 3C1, Fairfax, Virginia 22030
Phone: 703-993-2580; Fax: 703-993-2589

Sale and Use Tax Update (Tax Bulletin 16-3)

The Department of Taxation changed its policy regarding the application of the Retail Sales and Use Tax to catering and other services related to purchases of food and meals by State & Local governmental entities effective April 22, 2016.

According to the new tax policy, state and local governmental entities may now use their respective exemption certificate (Form ST-12) to purchase prepared foods, catering and related services provided in connection with the sale of food exempt of the sales and use tax if the university meets the following criteria.

1) The applicable prepared food, catering and/or related services must further a function, mission, service or purpose of George Mason University.

2) The charge for the food, meals or catering must be for a group (not an individual) and be billed to and paid for by George Mason University Accounts Payable or paid for with Mason p-card. Prepared food and catering charges that are paid for with personal funds and subsequently reimbursed by Mason are not tax exempt.

3) George Mason University determines to whom, when and how the meals or food is served and consumed.

Catered Events:

All catered events, including those catered by Sodexo, are exempt from sales and use taxes as long as the event: (a) supports the mission of the university and (b) is considered essential to the operation of the university. Catered events of this type may be paid using Mason funds. Events supported by participant funds are also tax exempt provided they meet the criteria listed above.

University-sponsored event expenses that do not support the university mission include: retirement parties, employee going away parties, office holiday parties and birthday celebrations. Catered events of this type cannot be paid for using Mason funds and are not tax exempt.

Example: Mason holds a banquet to recognize outstanding students and purchases catering services through Sodexo. The invoice includes charges for the catered food, charges for servers and charges for event set up and take down. Mason pays the invoice through Accounts Payable. The entire invoice is exempt from the sales and use tax.

Individual Meals Purchased while in Travel Status

Restaurant or catered meals consumed by individuals while traveling for university business are not included in the tax exemption. Employees traveling to in-state conferences or purchasing and personally paying for a business meal at a restaurant typically seek reimbursement of the cost of the meal at a later time. Because the meal is not billed directly to the university and the university does not determine to whom, when, and how the meal will be served and consumed,
Food and Beverages Expenditures

the employee will be subject to sales and use tax on the meal purchase.

Example: Dr. Ko is leading a panel presentation at a conference in Richmond, VA. He has arranged a business meal to discuss the presentation with the panel before the conference begins and will pay for the meal with his personal credit card. The meal is not exempt from tax.

Business Meals Purchased at Restaurants by Groups

Business meals serve the university’s mission and therefore qualify for the tax exemption. The exemption will only apply if the meal is direct billed to Accounts Payable or paid with a Mason P-Card. If the meal is paid with personal funds, the meal is not exempt from sales and use tax.

Example 1: Mrs. Parker is taking a candidate and two faculty members to lunch as part of the interview process. She has submitted an eVA order to Panera Bread. The meal is being direct billed to Accounts Payable and is therefore exempt from sales and use tax.

Example 2: Mr. Jones is taking a candidate to lunch as part of the interview process. Mr. Jones pays for the meal using his personal credit card. The meal is not being direct billed to Accounts Payable and therefore tax will be charged.

Prepared Meals Purchased at Grocery Stores:

Prepared meals purchased for later consumption qualify for the tax exemption. Prepared food items purchased from a grocery store are tax exempt if the items are: (a) to be consumed at the university and (b) charged to the P-Card or direct billed to Accounts Payable. Prepared food items purchased from a grocery store using personal funds are not exempt from sales and use tax. A p-card or eVA order (direct bill) is recommended for these grocery store purchases.

Example 1: Jack is hosting a late night social for his student club. He goes to the grocery store and purchases fried chicken and other prepared food. He pays for the items using an eVA purchase order. The grocery store will directly bill the university. Jack will not be charged tax on the transaction.

Example 2: Diane is holding a student committee meeting on campus. She purchases sandwiches and salads from the grocery store for the committee. She pays for the items using her personal credit card. Diane will be charged tax on the transaction.

Conference Services Activities:

Auxiliary Enterprises and The Office of Events Management will work with individual customers to determine if they qualify for this tax exemption. The client hosting the catered event must qualify for the exemption based on its own legal entity status. The customer must be a state or local governmental entity, a nonprofit organization or a nonprofit church to qualify under this exemption. If the customer is not a qualifying entity, the catered event is subject to sales and use tax in all cases including when the event is held at George Mason University.

How do I ensure my prepared food purchase is exempt from sales and use taxes?

For a purchase to be exempt from sales and use taxes, departments and other business units are encouraged to use their P-Card or eVA order (direct bill) for the purchase. The purchase is not exempt from sales and use taxes when payment is made using personal funds (cash, credit/debit).

What do I provide the Vendor?

April 2017
Once you have determined that your group meal activity is exempt from sales and use taxes, you must provide the vendor with the Commonwealth of Virginia Sales and Use Tax Certificate of Exemption (Form ST-12). You may obtain the form from the Fiscal Services website and sign the form on behalf of the Director of Purchasing and Accounts Payable.

The bulletin references an April 22 effective date. Should we apply it retroactively?

No. Accounts Payable notified our current vendors about the new tax policy in May and started removing the sale tax and use tax from invoices beginning on June 1, 2016.

Please contact Quyen Le at extension 3-2656 (qle2@gmu.edu) or Yesica Suarez at extension 3-2670 (ysuarez@gmu.edu) with questions or concerns. For more information about the new tax policy, please see Tax Bulletin 16-3 "Important Information Regarding Meals and Catering Purchased by Nonprofit Organizations, Churches, and Governmental Entities"

### F&B Sales Tax Guidance – Virginia ONLY (Sales tax applies outside of VA)

<table>
<thead>
<tr>
<th>Category</th>
<th>General Notes</th>
<th>Tax Exempt?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catered event on Campus – Including Sodexo</td>
<td>Must support the mission of the university and be essential to the operation of the university. Must be purchased for a group from an approved caterer</td>
<td>NO</td>
</tr>
<tr>
<td>Meals purchased when traveling (in Travel Status)</td>
<td>Restaurant or catered meals consumed by individuals while traveling for university business</td>
<td>NO</td>
</tr>
<tr>
<td>Business Meals purchased at restaurants when not traveling (not on Travel Status)</td>
<td>Business meals for a group that serve the university’s mission</td>
<td>NO</td>
</tr>
<tr>
<td>Prepared Meals purchased at Grocery Stores</td>
<td>Prepared meals (pre-made sandwiches, fried chicken, prepacked meals or side items)</td>
<td>NO</td>
</tr>
<tr>
<td>Description</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>-----</td>
<td>-----</td>
</tr>
<tr>
<td>from the Deli counter) purchased for later consumption by a group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Prepared food items purchased at Grocery Stores</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Non-prepared food items (granola bars, bottled water, crackers, candy, etc.)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>