

TRAVEL, BUSINESS MEETING AND ENTERTAINMENT PROCEDURES

PURPOSE

These procedures are designed to assist in completing an expense report that complies with the University's Travel, Business Meeting and Entertainment Policy (#806). <http://professor.rice.edu/professor/Policies.asp>

The guiding principles are that transactions, whether purchases or reimbursements, should be:

- (1) necessary for Rice to accomplish its mission;
- (2) reasonable, allowable and not paid or reimbursed by a third party;
- (3) for the benefit of Rice, not for personal use or benefit of an individual and
- (4) in accordance with tax laws, government regulations, sponsor terms and donor stipulations.

These procedures apply to reimbursements from all University funding sources. Sponsored research agreements may require more restrictive procedures. Faculty, staff and students whose expenses are funded by a grant or contract must also adhere to the terms of that grant or contract.

It is impossible for these procedures to specify or anticipate every possible transaction. It is our individual responsibility to make sound judgments as to whether a transaction is appropriate and in accordance with these principles.

Please contact Payables at payment@rice.edu or ext. 6700 with questions.

OVERVIEW

Rice University will pay for necessary and reasonable travel, business meeting and entertainment expenses associated with carrying out Rice business. The Travel, Business Meeting and Entertainment policy is designed to comply with applicable Internal Revenue Service (IRS) rules. IRS rules require business travel to be documented in a timely manner. Expenses should be submitted and approved no later than 30 calendar days after the trip or event end date. Undocumented or untimely submission of business expenses may require Rice to report these expenses as taxable income.

The University travel, business meeting and entertainment expense policy and procedures apply to all individuals including guests and prospective employees, who are to be reimbursed for University approved costs. In order to ensure compliance, it is the department's responsibility to inform visitors and guests about the University's travel, business meeting and entertainment policy and procedures prior to visiting the University. Whenever possible, such expenses of University guests should be paid by the University PCard.

A necessary expense has a clear business purpose and contains all information necessary to substantiate the expenditure including a list of attendees and their affiliation. Attendee names must be provided when the attendees include less than 10 individuals. For larger groups (10 persons or more), a description and count of the persons attending may be provided instead. Documentation must include a description of the business topics or agenda discussed and the relevance to the University. The University will not pay for personal expenses.

The University has implemented the Concur Travel and Expense system. All active paid employees will have a Concur account in order to book travel and process expense reports. After logging into Concur (netid@rice.edu) each user should update his or her user profile to take advantage of the system's features. Use of personal credit cards is allowable in the travel booking software tool and may be added at the credit card section of the user profile. Use of airline credit cards may be advantageous to the University and the traveler. Other system features include e-receipts, mobile tools (the system can be accessed via smartphones and tablets), system communications and electronic receipts (which are processed via mobile apps, email or fax).

For information about Rice's Concur system, please refer to www.concur.blogs.rice.edu.

The University has retained a designated travel management company (TMC), for the benefit of our travelers and to help the University realize discounts on its travel. The TMC is Christopherson Business Travel (CBT). It is strongly recommended that departments utilize CBT especially when arranging international travel or complex travel involving multiple trip locations and for scheduling travel for invited guests. CBT's services can be accessed using Concur by contacting CBT directly at ricetravel@cbtravel.com or by phone for agent-assisted transactions at 1-800-285-3603. There are nominal fees for use of CBT that will be charged directly to the traveler's fund and org. The link to more information about the fees is available on the travel tab of the www.concur.blogs.rice.edu.

EXPENSE APPROVAL

- The individual who incurred the expense must submit all expense reports via the Concur Travel and Expense System and forward the report to his or her one-over approver. Departments may choose to add a previewer role before an expense report is approved.
- The one-over approver must approve a Travel, Entertainment and Business Meeting expense report before reimbursement will be issued. Additional approvals may be required depending on the business purpose, fund/org charged or the dollar limit of the approver. Under no circumstances may an individual approve his/her own expense report or that of a person to whom he/she functionally or administratively reports.

ROLE OF THE APPROVER

By approving travel, entertainment and business meeting expense, the approver is attesting that she or he has reviewed each transaction and supporting documentation and has verified that all transactions are allowable expenses, that funds are available and that expenses are accounted correctly. The approver role should be assigned to an individual who can judge the business

appropriateness and reasonableness of expenditures and who does not report directly to the person incurring the expense. *Should expenses not meet University policy and procedures, the approver should not approve the expense report.* By granting approval, approvers are certifying:

- Appropriateness and accuracy of the expenditure and reasonableness of the amount;
- Availability of funds;
- Compliance with funding agency regulations and University policies and procedures;
- Completeness of documentation related to attendees including
 - The number of Rice guests and/or spouses attending is appropriate and reasonable.
 - Names of attendees are included, including their business affiliation to Rice (for non-Rice attendees) along with a clearly stated business purpose, which includes the business topics discussed;
- Amounts are identified by category (e.g., travel by type of expense, food/non-alcoholic beverages, alcoholic beverages); and
- No alcoholic beverages or entertainment costs have been charged to sponsored agreements.

The approver is the “check” in the expense reporting process to identify potential or actual errors in expense reporting and is equally accountable for all expenditures.

IRS REQUIREMENTS RELATED TO REIMBURSEMENT AND ADVANCES

In order for travel advances and travel reimbursements to be excluded from a traveler’s taxable income, the University’s travel policy must meet the IRS requirements for an “accountable plan,” which means that: the expense has a business connection, employees must adequately account to Rice for these expenses within a reasonable period of time and return excess reimbursements or advances within a reasonable period of time.

To maintain the University’s “accountable plan” status with the IRS, it is important that the recorded purpose have a clear and appropriate business connection to the University. Purposes such as “lunch, business or research travel or meeting” do not provide adequate information to fulfill this requirement. A brief explanation with sufficient detail is required in order for an independent party to understand the business connection.

Travel advances will be issued only for international travel, student travel related to University business or group travel.

- An advance should be requested no earlier than 15 business days in advance of the trip. If an advance is submitted earlier, the payment will not be generated until approximately 15 business days in advance of the trip.
- Travelers must return any advance amount in excess of allowable and documented expenses within 60 calendar days after the completion of the trip and or event.
- Travelers are encouraged to start the Concur expense report and enter the trip start and end dates when booking a trip or event in advance so that email notifications begin after the trip or event end date.

- An advance for one trip may NOT be used to pay for expenses of another trip.
- An individual will not receive an additional advance if he or she has any non-reconciled advances pending.
- Reconciliation of a travel advance is due within 30 days of the trip or event end date. Any unused money from a travel advance must be repaid to the University at the same time the completed expense report is submitted.
- Travelers must submit expenses in Concur substantiating the amount, date, and business purpose of expenses, within 30 days of completion of the trip and or event. *Expenses submitted in excess of 60 calendar days may not be reimbursed.*

Frequent late submission of expense reports will be reported to the employee's Dean, Vice President, Vice Provost or Director and, depending on the timing, may be reported as taxable income per IRS regulations. Expense reports over six months old require approval from the Dean, Vice President, Vice Provost or Director or his or her designee.

EMAIL REMINDER NOTICES

The Concur system will send email reminders to the approver when approval has not occurred within 10 calendar days and 15 calendar days after the expense report was submitted.

Automatic email reminders will be sent to the PCardholder at 30, 45 and 60 days after charges have not been submitted on an expense report. PCard privileges may be terminated if PCard expenses are not submitted and approved within 60 days after a trip or event has occurred.

For charges that relate to future trips or events, it is important to start the expense report and provide the trip or event start and end dates at Concur's expense report header record in order to prevent the 30, 45 and 60-day emails from being generated prematurely.

WEEKEND TRAVEL

Travelers are expected to plan for travel in advance. If a weekend stay results in a lower total cost, including additional lodging and meals, the University will pay the traveler for the additional lodging and meals. The traveler must document the savings calculation for the approver's review.

RECEIPT REQUIREMENTS

Required receipts must be attached to each applicable expense transaction in Concur. A specific business purpose for the expenditure can be noted on every expense transaction. Concur users and approvers should confirm that a readable receipt image is available within the system. Original paper receipts should be retained, in the event there are issues with the readability of the electronic receipt, until the expense report is approved.

Approval emails and memos requesting exceptions from policy or procedures may be attached as documentation in Concur. Imaged or electronic itemized receipts are required for the following:

- hotel, airfare and rental car expenses regardless of dollar amount;
- conference registration fees;
- all PCard charges equal to or greater than \$75 (the IRS de minimus level);
- out-of-pocket (non-PCard) charges equal to or greater than \$25; and
- alcohol or entertainment expenses included in the bill and the traveler is not on per diem.

Travel purchases made on a Rice University PCard and travel booked within Concur do not require the traveler to maintain receipts if the travel or event is booked within Concur, the vendor is a Concur e-receipt vendor, and the Concur user has updated his or her profile to allow e-receipts. For information regarding vendors that provide e-receipts in the Concur system see (<http://www.concur.com/about/partners/travel-suppliers/e-receipt-providers.html>).

EXCEPTIONS/MISSING RECEIPTS

In cases where a submitted expense does not conform to University policy and procedures, it should not be approved. If a receipt is lost or missing, an explanation is required when submitting the expense for approval. Each expense item has available comment and business purpose fields to document business purpose justifications or explanations if needed. A Missing Receipt Affidavit (also available in Concur) must be completed and attached in the event an imaged receipt cannot be obtained for expenses over \$75 or where receipts are required regardless of dollar level. It is expected that required receipts will be submitted and that the use of Missing Receipt Affidavits will be limited.

SALES TAX

Rice University is tax-exempt and therefore employees and students should make every effort to avoid payment of Texas sales tax. The University's federal tax exemption number is displayed on the face of the PCard, which vendors accept for the Texas sales tax exemption. The state tax exemption form is available at the Controller's Office website and at Rice's Concur blog. The University reserves the right not to reimburse for sales tax charges.

TEXAS HOTEL OCCUPANCY TAX EXEMPTION

As an educational organization, Rice is exempt from paying the Texas hotel occupancy tax on lodging expenses incurred for official University business. In addition to the state taxes, cities and some counties may levy local hotel taxes at varying rates. Educational organizations, including Rice, must pay these local taxes. To claim the state tax exemption, the hotel guest must supply the hotel with a signed "[Texas Hotel Occupancy Tax Exemption Certificate](#)".

AIRLINE TRAVEL

The most economical and direct form of transportation should be used, including ground transportation to and from the airport. The total cost of each transportation option, including daily expense rates and cost of lost work time, should be considered. As a general rule, economy class airfare should be used. However, economy plus upgrades are allowable for direct flight segments over three hours or when those are the only seats available on the flight. In certain

limited circumstances (as described below), the use of business class airfare may be justified. First class travel is almost never allowed.

The table below lists circumstances that might justify an exception to economy class airfare. An exception **always** requires additional approval and documentation. To the extent possible, all flights should be booked at least 14 days in advance.

| Allowable circumstances for class of flight | | Approvals (1) | Documentation Required | Fund Restrictions (2) |
|---|--|-----------------------------|--|--|
| Business | | | | |
| A. | Medical | Dept. Head/Chair or Dean/VP | - Doctor's statement - Copy of approval - Cost of coach | |
| B. | Scheduled flight segment > 6 hours and particular circumstances are warranted | Dept. Head/Chair or Dean/VP | - Itinerary showing scheduled departure and arrival information - Cost of coach - Copy of approval | - generally <u>not</u> allowed on federal funds |
| C. | Any other circumstances | President | - Copy of approval - Cost of coach | - generally <u>not</u> allowed on federal funds |
| First Class | | | | |
| D. | Business class not offered on ANY carrier with reasonable schedules to the destination | President | Same as A or B above and a statement attesting that no business class seats were available | - generally allowed on federal funds only if medical condition applies |
| E. | Any other circumstances | President | - Copy of approval - Cost of coach | - generally not allowed on federal funds |

- (1) The Provost must approve business or first class travel by the Deans, Vice Provosts and others who report to the Provost. The President must approve business or first class travel by anyone who reports directly to the President. Costs in excess of the lowest available coach class fare must be segregated and charged to the applicable account code regardless of the funding source and documented at the time travel arrangements are made.
- (2) Allowability on a specific sponsored project fund is subject to award terms and conditions. Please refer to award documents. Contact Research and Cost Accounting (rchacctg@rice.edu) for information and to discuss specific situations. For all international travel charged to sponsored project funds, Rice University complies with the Federal Fly America Act and Open Skies Agreement which requires all travelers traveling

internationally to fly U.S. flag air carriers. Under these Acts, there may be instances where the use of a foreign air carrier service may be deemed necessary. A copy of the Fly American Act guidelines can be found on the Controller's Office website. Research and Cost Accounting is available to provide information and discuss specific situations.

Federal regulations prohibit the use of federal funds for purchase of business or first class air travel for domestic flights. In addition, federal regulations require that U.S. carriers be used for both foreign and domestic travel, unless one is not available. In the event travelers require a flight change, explanation of flight changes that incur additional costs are required. Travelers must document the business purpose for the need to change the flight reservation, and the total cost of the flight should be evaluated and approved as reasonable by the approver.

NOTE:

- Best fares are most often booked well in advance of the departure date.
- Most airlines allow cancellation within 24 hours without penalty of fares purchased online.
- CBT will help Rice keep track of unused tickets so that they can be re-used. Each user will be prompted to use available credits when booking travel with Concur/CBT.
- Exceptions to policies regarding transportation options due to disabilities are allowable based on documentation. Documentation must be recent and include evaluation by an appropriate professional (who is not related to the person being evaluated) describing the current impact and limitations of the disability as it relates to the request for transportation needs. Please refer to the documentation guidelines for staff and faculty located on the Disability Support Services webpage at <http://www.dss.rice.edu>. These guidelines are provided to assure documentation is adequate and appropriate to verify eligibility and to support requests for accommodations.
- Rice University allows travelers to retain frequent flyer benefits. However, preference for specific airlines for the purpose of accumulating mileage must not influence air travel arrangements or add incremental cost.

AIRLINE FEES

Allowable

- Checked baggage fees (typically one checked bag and materials needed for business purpose or research), but not fees related to personal use such as recreational equipment (e.g., skis or golf clubs). Baggage charges incurred for excess weight will not be reimbursed, unless an appropriate business purpose is provided.
- Itinerary changes, when the business purpose is clear and the changes are beyond the traveler's control or when the change allows returning home earlier and saving Rice money even with the change fee or the fee is modest in relationship to the time saved
- Fare lock, when it is cost-effective for the University (e.g., locking in lower fares to allow other necessary planning and decisions to take place before expiration)
- Booking fees

- Wi-Fi access for Rice business purposes

Not allowable

- Global entry fees and TSA pre-clearance fees
- Early check-in fees unless critical to making connections
- Airline club memberships or visits including frequent flier clubs
- Reimbursement for use of frequent flier miles
- Claiming use of airline miles as a gift to Rice
- Selecting other than the lowest price when higher rate brings personal benefit
- Upgrades that are not pre-approved
- Additional travel accident and/or flight insurance

AUTOMOBILE AND OTHER GROUND TRANSPORTATION

Shuttles should be considered when available, convenient and appropriate for the travel circumstances.

Rentals

The University has negotiated preferred vendor rates with several rental car companies. To ensure that University rates are obtained, when a rental car is necessary, it is recommended that reservations be made through CBT.

For parties of three or less, auto rental expenses should not exceed the rate for a compact or intermediate sized vehicle. For parties of four or more or for travel including transport of a large piece or sizable volume of equipment, larger vehicles may be rented. Reimbursement will be made for gasoline charges based on the IRS reimbursement rate. Prepaid gas plans are generally not reimbursable. Maintenance and oil changes are the responsibility of the rental company and will not be reimbursed by the University.

Navigation devices are included with car rentals made with University preferred vendors. For non-preferred vendors, it is reimbursed as necessary (i.e., included in the rental package or the route is complicated and unknown to the traveler).

Within the U.S. and Canada

Within the U.S. and Canada, property damage and liability insurance SHOULD NOT be purchased by a Rice traveler. The University WILL NOT reimburse for these charges.

If a traveler uses the University PCard, Master Card will provide primary collision/loss coverage up to \$50,000 per incident on vehicles with a gross weight of less than 6,000 pounds when they are rented for 31 consecutive days or less. Coverage is also provided for the time the vehicle is being repaired (“Loss of Use” charges). All claims must be reported to Master Card within 30 days. Contact Master Card at 1.800.MC.ASSIST to obtain a claim form.

If the traveler has an accident while driving a rented or leased car while on Rice business, the traveler should immediately contact Rice's Risk Manager at <http://riskmanagement.rice.edu>. Submit any correspondence received from the rental car company including the vehicle damage report and the invoice for damage to the vehicle to Rice's Risk Manager for review and processing.

International

For travel outside the U.S. and Canada, property damage and liability insurance SHOULD be purchased from the auto rental company. In addition, Rice has a foreign auto liability policy that is in addition to the coverage purchased from the auto rental company. The University will reimburse the traveler for the cost of the insurance.

Rice has an automobile insurance policy in effect for rented, leased, owned or agency loaned vehicles (within the United States and Canada). This policy will cover vehicles in excess of 6,000 pounds, including trucks, trailers, pick-ups and full sized vans mounted on a truck chassis.

If the traveler has an accident while driving a rented or leased car while on Rice business, the traveler should immediately contact Rice's Risk Manager at <http://riskmanagement.rice.edu>. Submit any correspondence received from the rental car company including the vehicle damage report and the invoice for damage to the vehicle to Rice's Risk Manager for review and processing.

USE OF PERSONAL CARS

When a personal vehicle is used for University business, reimbursement is provided based on the current IRS mileage rate in effect at the time of travel. The rate is updated annually in the Concur system and is also available on the Controller's Office website. Reasonable parking and tolls are also reimbursable. The University reimburses local in-town mileage in excess of 5 miles round trip for non-commuting trips made for Rice business purposes.

Fuel costs are part of the per-mile reimbursement rate. The traveler may request mileage reimbursement OR fuel costs, but not both.

If an employee is in an accident while driving his or her own auto on Rice business, the employee's personal liability coverage is the primary source of payment. The University DOES NOT carry insurance for any physical damage to employee-owned vehicles.

The University does not reimburse parking fines or moving violations.

OTHER TRAVEL EXPENSES

The following are some examples of travel related expenses that are not reimbursable:

- Passports
- Personal entertainment (e.g., movies, sporting events, golf fees, newspapers, magazines)

- Travel by a spouse or partner that is not pre-approved
- Reimbursement for loss or damage of personal property while traveling (make sure that you have adequate insurance)
- Technology items including power cords for laptops, PC supplies and cellphones

The following travel expenses are reimbursable:

- Fees for expediting a passport for Rice business
- Visas and vaccines related to Rice travel
- Buying a meal or modest flower arrangement for a host when staying with friends or family in lieu of a hotel stay
- VAT and GST (Goods and Services Tax, a Canada tax which also applies to several other foreign countries). Travelers need to submit VAT documentation so that Rice can file for reimbursement.
- Reasonable laundry for business trips exceeding one week or in emergency cases with a documented business purpose

Please refer to the table below for additional guidance.

| | |
|-------------------------------|---|
| A. Gratuities (tips) | <ul style="list-style-type: none"> ▪ Other tips, such as baggage handling and special services, should be modest and must be itemized by category. |
| B. Spousal Travel/Recruitment | <ul style="list-style-type: none"> ▪ Spousal travel may be reimbursed if the travel is in connection with the recruitment process. |
| C. Parking Fees | <ul style="list-style-type: none"> ▪ For travel lasting longer than 2-3 days, the airport remote parking lot should normally be used. |

TRAVEL ACCIDENT INSURANCE

Rice University carries a Group Travel Accident insurance policy, which covers both domestic and foreign business travel. This policy provides accidental death and dismemberment insurance for all University employees while traveling on University business. Accordingly, reimbursement will not be made for any supplemental insurance purchased by the traveler. If you have any questions regarding travel insurance, please contact Rice’s Risk Manager at <http://riskmanagement.rice.edu>.

PER DIEM/TRAVEL ALLOWANCE

Travelers will be provided a per diem rate for travel days in accordance with the United States General Service Administration (GSA) rate tables (www.gsa.gov). Use of per diem rates is optional. Either actual expenses or per diem rates must be used for an entire trip. Commingling per diem and actual expenses during a trip is not allowed. When filing an expense report, Concur’s travel allowance or per diem functionality will assist the traveler in obtaining the proper per diem amounts based upon travel to specific cities. Departments may choose to use lower per diems than the GSA rates. Per diem rates include both the cost of meals and incidental expenses. Travelers are eligible for 75 percent of the total per diem rate on the first and last day

of travel as long as the travel begins and ends before or after noon respectively. However, if a full day of travel (more than 6 hours) is required to arrive at or return from a destination, that day is considered full per diem. Per diem meals and incidental expenses do not require receipts. Meal and incidental expenses in excess of the per diem are not reimbursable. When meals are offered as part of a conference fee or when the traveler hosts or is hosted by another party, the traveler must reduce the per diem rate for these meals when completing the expense report. Per diems may not be requested for same day travel.

If a traveler is on per diem and attending a conference or other event where meals are provided but unavailable to the traveler because of dietary restrictions, the traveler can choose to be on per diem (and absorb the cost of special meals) or go off per diem in order to purchase meals.

When student athletes receive meals (and or per diem) while traveling for athletic activities, NCAA rules apply.

SAME DAY TRAVEL

In accordance with IRS guidelines, meals will not be reimbursed for same day travel unless the meal is included as part of a conference or program. Similarly, per diem allowances are not allowable for same day travel.

LODGING

The University will reimburse for a reasonable single occupancy, standard business room rate. The traveler should select the least costly lodging option available taking into consideration proximity to the business destination and safety. When the hotel is the conference or convention site, reimbursement will be limited to the conference rate when available. When a spouse or partner or other family member is traveling with the employee, the difference in rates between single and double occupancy is considered a personal expense and is the responsibility of the employee.

On the expense report, the costs of meals charged to the hotel bill must be itemized, entered separately from the lodging cost and charged to the appropriate category of expense. When traveling on a meals' per diem, meal costs on a hotel bill must be deducted because they are covered by the per diem and reported as personal expenses and reimbursed by the traveler.

For international travel, lodging costs will be reimbursed up to the U.S. Department of State's "Maximum Travel Per Diem Allowances for Foreign Areas." The link is: http://aoprals.state.gov/web920/per_diem.asphttp

SPOUSAL/PARTNER/DEPENDENT TRAVEL, BUSINESS MEETING AND/OR EVENT/ENTERTAINMENT EXPENSES

Reimbursement for a spouse or partner's transportation, lodging or meal expenses requires pre-approval by a Dean, Vice President, Vice Provost or Director explaining why an exception is warranted. Documentation of the approval must be included when the expense is submitted in Concur. Comments may be made on the expense line.

Temporary dependent care costs above and beyond regular dependent care that directly results from travel to conferences is allowable provided that: the costs are a direct result of travel for a sponsored research award or other conference related to University business; the costs are consistent with the University's travel policy and are only temporary during the travel period and where no reasonable alternative to dependent care is available. Prior written approval is required.

BUSINESS MEETINGS, EVENTS AND ENTERTAINMENT

Business meetings are defined as meetings (which may include meals or snacks) to discuss Rice University business.

Entertainment (per the IRS Publication 463) includes an activity that provides entertainment, amusement, or recreation and includes meals provided to outside guest(s). Entertainment includes a substantial business discussion either before or after the entertainment. There is also an expectation of some specific business benefit. Some examples of entertainment may include theatre or artistic performances and sporting events.

Business meals that exceed the maximum allowances as stated below must be accompanied by a detailed explanation and have prior written approval.

| Specific Limits and Guidelines: | |
|---|--|
| A. Costs for Business Meetings/Events/Entertainment (BME) | <ul style="list-style-type: none"> ▪ The costs of all meals should be reasonable for the circumstances. Normally, lunch costs should not exceed \$30 per person and dinner costs should not exceed \$75 per person. A per person dinner charge of up to \$150 and per person lunch charge of up to \$50 is allowed for BME involving donors, senior level recruitments or dignitaries. The amount should be appropriate for the business purpose and requires documentation to explain the need for the higher cost. These suggested totals include food, beverages, taxes, gratuities and other related costs such as room setup and wait staff charges. Lower spending amounts may be required by some sponsored contracts/grants. For information on specific contract/grant requirements, contact Research and Cost Accounting ▪ Costs of departmental gatherings should be reasonable, based on the size of the department and the purpose of the event and should be appropriate for an educational institution. |
| B. Alcoholic Beverages | <ul style="list-style-type: none"> ▪ Costs of alcoholic beverages MAY NOT be charged to sponsored agreements; ▪ When alcoholic beverages (including tax and tip) are reimbursed by funds other than sponsored agreements, the costs must be separately identified and charged to the appropriate expense type or general ledger account code 70880 (alcoholic beverages) or combined with entertainment charges using account code 70885. |
| C. Gratuities | <ul style="list-style-type: none"> ▪ The tip should not exceed 20% except in unusual circumstances. |

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| D. Group Size | <ul style="list-style-type: none"> ▪ The number of University employees accompanying guests of the University should be appropriate to the purpose of the business meeting and/or entertainment; and ▪ Specific divisions and/or departments may set more specific and stringent guidelines. |
| E. Spouse/Partner Attendance | <ul style="list-style-type: none"> ▪ Normally, spouses or partners of Rice employees share in entertainment only when the spouses or partners of guests are also included. |
| F. Events/Development | <ul style="list-style-type: none"> ▪ Development events are typically entertainment functions for the purpose of donor engagement and may include events for cultivation, recognition and stewardship. ▪ Alumni Relations events are typically entertainment functions for the purpose of alumni engagement, and may include events for alumni socializing, recognition, networking and lifetime learning. |
| G. Student Athletes | <ul style="list-style-type: none"> ▪ NCAA rules apply to activities involving recruitment of student athletes. Contact the Athletics Compliance Director. |

University employees who attend a business meal while traveling and are receiving per diems will forego that portion of the per diem associated with the business meal when completing the travel allowance portion of the expense report.

SPONSORED AGREEMENT FUNDS

Payment of business meeting expenses from sponsored agreement funds must be in compliance with the specific sponsored agreement. It is important that any restrictions be understood prior to expenses being incurred. Contact Research and Cost Accounting for all questions regarding specific sponsored agreement restrictions. Consult the following table for guidelines on allowable business meeting/entertainment expenses from sponsored agreement funds.

| | |
|------------------------|--|
| Alcoholic Beverages | Not an allowable sponsored agreement expense. |
| Entertainment Costs | Not an allowable sponsored agreement expense. |
| Business Meeting Costs | <ul style="list-style-type: none"> ▪ May be charged to a sponsored agreement only if the awarding agency allows such a cost; ▪ Requires a detailed outline/agenda and an explanation of the purpose of the meeting and the relationship to the award when submitted with the expense report; ▪ The costs must be an integral and necessary part of a conference or other formal, organized meeting; and ▪ Business meeting expenses, such as meals and coffee breaks, cannot be charged for meetings among Rice individuals without any outside parties attending. |

QUESTIONS AND COMMENTS

Please direct questions and comments regarding this document to Payables at payment@rice.edu or ext. 6700. The Travel, Business Meeting and Entertainment Policy and Procedures can be found on the Controller's Office Website/Payables/Payment Solutions/Guidelines and Procedures.