

**Associate Vice President  
For Facilities and Operations  
Guidelines  
Hosting/Gifts/Travel**

**Foreword**

The Facilities and Operations Lead Team desires to have consistent hosting/gift/travel guidelines for all units within Facilities and Operations (F&O). It is understood that the Lead Team reserves the right to impose stricter requirements for procurement activities than those described by the standard practice guide (SPG). Hence, the guidelines below are likely to be more restrictive than the current SPGs for hosting, gifts, and travel.

The personal nature of these activities lends itself to considerable scrutiny. Compounded by the fact that we operate as a public entity, our practices and policies should be administered on a consistent and conservative basis. **Below are specific, but not all-inclusive, F&O guidelines. If an item is not covered in this document please refer to the current SPG.**

**Hosting (SPG 501.4-1)**

**I. Retirement Farewell Gathering**

University discretionary funds may be used to cover all or part of the cost of hosting a retirement farewell activity. University Investment Pool (UIP) interest income should be used when available. If UIP funds are unavailable, please contact the F&O Business Manager before a commitment is made. Do not use General Fund or Federal Fund monies. Other monies (besides UIP income) may also be problematic.

The following are set amounts for use of University discretionary funds toward retirement farewell expenses. Please note that the budget for the retirement activity must be approved, in advance, by the director/administrator (defined as the individual who reports directly to the Associate Vice President for Facilities and Operations).

<b>University Years of Service</b>	<b>Attendance – 100 people or less</b>	<b>Attendance – more than 100</b>
Less than 10 years of service	Up to \$250	Up to \$1000
10 – 20 years of service	Up to \$500	Up to \$2,000
20 years of service or more	Up to \$1,000	Up to \$5,000

Exceptions to the set amounts (above) must be additionally approved, in advance, by the Associate Vice President for Facilities and Operations.

**II. Holiday Parties/Seasonal Gatherings/Other Staff Recognition Events/Programs**

University discretionary funds may be used to cover all or part of the cost of a large-scale “employee appreciation” gathering which typically manifests itself as a holiday or seasonal event or other formal events or programs. University Investment Pool (UIP) interest income should be used when available. If UIP funds are unavailable, please contact the F&O Business Manager before a commitment is made. Do not use General Fund or Federal Fund monies. Other monies (besides UIP income) may also be problematic.

#### A. Summer Event

It is appropriate for unit directors to hold an “employee appreciation” event in the summer. However, certain limitations apply:

- The University contribution should be reasonable and within the boundaries of other related University spending guidelines.
- The event shall be held between July and the middle of September.
- The director/administrator (defined as the individual who reports directly to the Associate Vice President for Facilities and Operations) must approve of the event, in advance.

#### B. Holiday Event (December time frame)

It is appropriate for unit directors to encourage a Holiday event for all staff. However, certain limitations apply:

- The University contribution will have a maximum limit of \$15 per person (including tip).
- Non-supervisory personnel are limited to one event.
- The duration of the event shall be limited to no more than three hours.
- The event shall be held between November and the end of January.
- The director/administrator (defined as the individual who reports directly to the Associate Vice President for Facilities and Operations) must approve of the event, in advance.

#### C. Other Events/Programs

It is understood that units may sponsor additional formal employee appreciation type events or programs. Such events or programs must be approved, in advance, by both the director/administrator (defined as the individual who reports directly to the Associate Vice President for Facilities and Operations) **and** the F&O Business Manager.

### **III. Business Meals (non-travel status)**

#### A. Staff Gatherings (including business lunches with internal staff)

According to IRS guidelines and SPG 501.4-2, you must not host the same group of people any more often than once a month. The cost per individual should be conservative - generally less than \$10 (tip included). The duration of the meal should not be in excess of 1.5 hours unless an appropriate work agenda is included as documentation. When feasible, the director/administrator (defined as the individual who reports directly to the Associate Vice President for Facilities and Operations) should approve of the event in advance. University Investment Pool (UIP) interest income should be used.

It is understood that project work sometimes necessitates business to be conducted over the lunch period. A reasonable attempt should first be made to schedule other meeting times. For routine meetings, a University funded meal is generally not appropriate. University Investment Pool (UIP) interest income should be used.

#### B. Business Gatherings (with third parties)

University discretionary funds may be used to cover all or part of the cost of the meals associated with third parties. University Investment Pool (UIP) interest income should be used when available. If UIP funds are unavailable, please contact the F&O Business Manager before a commitment is made. Do not use General Fund or Federal Fund monies. Other monies (besides UIP income) may also be problematic.

The third party must be a current or likely provider of valuable information (e.g. gatherings with peer institutions), service or other products to the University. The necessity for the meals should result from the inability to reasonably schedule other times for the purpose of meeting to discuss business matters. The meal should not be strictly a means of offering a gratuity to the third party. The director or administrator (defined as the individual who reports directly to the Associate Vice President for Facilities and Operations) must approve of the event, in advance.

It is understood that project work oftentimes requires a concentrated effort by both University and third party personnel and mealtime meetings may be a necessity. It is expected that for routine meetings with third party providers, a University funded meal is generally not a necessity. **Warning:** It may **not** be appropriate to substitute University paid business lunches with Vendor paid lunches. See SPG “Conflict of Interest” policy and consult the F&O Business Manager for clarification.

#### C. Training Sessions

University discretionary funds may be used to cover all or part of the cost of the meals (and/or refreshments) associated with preplanned and necessary staff training sessions. University Investment Pool (UIP) interest income should be used when available. If UIP funds are unavailable, please contact the F&O Business Manager before a commitment is made. Do not use General Fund or Federal Fund monies. Other monies (besides UIP income) may also be problematic.

#### D. Emergency or Special Circumstances

University discretionary funds may be used to cover all or part of the cost of the meals (and/or refreshments) associated with “safety” service activities (e.g. snow removal, emergency repairs) that do not allow for traditional meal breaks. University Investment Pool (UIP) interest income should be used when available. If UIP funds are unavailable, please contact the F&O Business Manager before a commitment is made. Do not use General Fund or Federal Fund monies. Other monies (besides UIP income) may also be problematic.

### **IV. Service Awards Recognition**

Human Resources and Affirmative Action host a large-scale recognition event for 20-50 year awardees. Departments are encouraged to recognize employees for their ten-year service awards by participating in the F&O division-wide event.

### **V. F&O General Guidelines:**

- The University shall fund no alcohol.
- **Departments must report on all hosting events including external and internal vendors (U-club, University Catering, etc.).**
- Detailed receipts shall accompany all expenses.
- Fill out only one hosting documentation form per event. Even if you used multiple vendors, list the vendors and amounts on one form.
- **Directors must countersign hosting-related forms before they are submitted to the F&O Business Manager (Kim Kiernan) for review.**
- Any business expenses paid for using personal funds should be accounted for on the ATM/Misc. Expense form and attached to the P-Card statement. Likewise, any reimbursement due to the University from the cardholder should be accounted for on the same form.
- All forms shall be fully and appropriately prepared and proper signatures obtained. Downloadable forms are available at [http://www.umich.edu/~finops/index\\_js.htm](http://www.umich.edu/~finops/index_js.htm) and <http://www.umich.edu/~purch/Forms/index.html - PCard>
- Further information on travel and hosting can be found in the standard practice guide at [www.umich.edu/~sponlin/](http://www.umich.edu/~sponlin/).
- For your records, keep a copy of your reconciled statement and all the receipts. The AVP’s office does not maintain copies.
- Contact the Business Manager for further clarification.

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## **Gifts (SPG 501.4-1)**

### **I. Gifts (including Retirement Gifts)**

University funds may not be used to cover all or part of any type of gift for any type of occasion. However, University funded expenses incurred for a retirement farewell activity may include the cost of a corsage/boutonniere for the retiree and retiree's spouse.

## **Travel (SPG 501.4-1)**

### **I. Meal Expenses**

Facilities and Operations (F&O) will reimburse all reasonable meal expenses, including gratuities, incurred when a University traveler is traveling outside the Ann Arbor area on University business while on travel status. Receipts are required for meal expenses greater than \$25. Acceptable meal receipts include charge card receipts, cash register receipts and hotel receipts with meal cost itemized. Order stubs are not acceptable documentation.

- The maximum allowable meal reimbursement is as follows:

Breakfast	\$25
Lunch	\$25
Dinner	\$55

- The University shall fund no alcohol.

### **II. Lodging**

All lodging accommodation costs should be practical for the occasion of the travel.

### **III. Other**

Receipts for Taxis, bus fares, transfer services, lodging expenses, airfare, train tickets, car rental expenses, etc. will be required regardless of cost.