

January 31, 2012

To: SAS Chairs and Directors

From: Robin Davis, Executive Vice Dean
Todd M. Bristol, Vice Dean

Re: UPDATED SAS Guidelines for Meal and Alcohol Purchases

PLEASE NOTE: These guidelines were first issued in 2007 and are now being revised to reflect current costs in the local New Brunswick area. New limits will take effect as of January 1, 2012, and should be annually reviewed by the SAS Dean's Office.

This memo summarizes the SAS guidelines for local business meals and the rationale for the guidelines. The SAS guidelines are consistent with, and elaborate upon, the University policies and procedures as outlined in University Policy 40.4.1, which can be found at:

<http://policies.rutgers.edu/PDF/Section40/40.4.1-current.pdf>

General questions about the policy should be directed to the Dean's Office; questions about specific implementation should be directed to the SAS Business Office.

Guidelines

Dinners

The following are deemed reasonable and will be reimbursed. The expenses listed on TABERS need the normally required information and backup documentation but no additional justification will be required:

- Cost of a dinner (including, food, alcohol, taxes and tip) for an RU faculty member while entertaining a guest: \$50. Anything over that is the faculty member's responsibility;
- Cost of a dinner for a guest (food, alcohol, taxes and tip): \$60. Anything over that is split among the RU faculty members in a manner they agree to;
- Cost of a bottle of wine: \$35. Anything over that is paid by the RU faculty members in a manner they agree to.

The limits above apply to state and non-state accounts; however, alcohol cannot be charged to a state account. Anything above the deemed reasonable limits will need a clearly stated and well justified reason that articulates why the limits were exceeded. It is much easier to justify a higher cost for a guest than for a faculty member. For example, the costs mentioned above could be exceeded for the guest if he/she is a prospective major donor or a prospective senior faculty member. Even when those reasons obtain, it will be difficult to justify a higher cost for a faculty member. The reasons should be more probative as the cost exceeds the limits mentioned above.

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The reasons for exceeding the limits mentioned above should be such that they would convince a well-informed, fair-minded, NJ taxpayer who cares both about the quality of Rutgers and his/her own financial situation.

Meals other than Dinners

The deemed reasonable expenses for meals other than dinner are:

- Lunch with guests: total cost is \$30 for each guest and faculty/staff member;
- Breakfast with guests: \$20 each guest and faculty/staff member.

There might be exceptional circumstances that would justify a higher cost for guests, but those will need a clearly stated and convincing reason. Also, there might be a justification available for a higher cost for a faculty/staff member, but exceeding the limits should be a very rare occurrence.

Working Meals for RU Personnel Without Guests

Occasionally, a working meal with only RU faculty/staff and/or students is appropriate and the expense may be reimbursed. For example, a chairperson might want to take a junior faculty member to lunch. However, the cost of lunch for faculty members meeting and discussing matters that could just as easily be discussed in the office will not be reimbursed.

Light snacks (coffee and cookies, for example) associated with a long committee or department meeting are deemed reasonable.

Rationale for the “Reasonable Guidelines”

As was the case in 2007 when these guidelines were first introduced, we continue to have serious budget constraints that will persist for the foreseeable future. The School has reduced spending in many areas that are important to our primary mission. We must establish guidelines in a manner that ensures that our primary goals are reflected in our budget priorities. Entertaining guests – including speakers, visiting faculty, prospective donors, and candidates for faculty and administrative positions – is often an important means to our primary goals.

If we set absolute limits on meal expenses, we will have no way to deal with many cases when an exception would be reasonable. In addition, setting absolute limits would discourage a thrifty approach in more routine cases.