

BUSINESS ENTERTAINMENT & DISCRETIONARY BUSINESS EXPENSES

Purpose of Policy:

To define what constitutes a reimbursable business entertainment or discretionary business expense where the intended purpose of the Foundation account allows for payment of such expenses.

Policy Statement:

Foundation funds may be used for business entertainment or for other discretionary business expenses when the expenses are necessary and appropriate to further the mission of PSU or the Foundation. The Foundation, as a charitable organization, must be consistent with IRS regulations and ensure prudent use of donated funds. When appropriate to the circumstances, business entertainment expenses may include expenses incurred by the spouse or guest of the person hosting or being hosted. A reimbursement will not be allowed for food, beverages, or other costs of entertainment to the extent that such expense is lavish or extravagant under the circumstances.

Business entertainment expenses should be charged to a school or departmental discretionary account. However, this may not always be possible for all activities. Whenever a restricted account is used for business entertainment, the activity must further the intended purpose of the restricted account.

Requests for payments or reimbursements for entertainment expenses must have the following documentation:

- Name and title of person(s) hosted
- Business purpose
- Original paid receipts

The Foundation will pay for alcoholic beverages served at PSU or Foundation business functions where:

- The serving of alcoholic beverages is appropriate to the event or function
- Alcoholic beverages are served in moderation, and non-alcoholic beverages are also provided
- The cost of the alcoholic beverages is not extravagant

All business entertainment and discretionary business expenses are subject to the Foundation's approval.