

WHAT ABOUT FOOD PURCHASES?

Information for Principal Investigators/Project Directors with Activities that May Include Food Purchases

- The PI/PD is responsible for ensuring that food purchases are allowable in their grant, contract, or other sponsored agreement.
 - If you are not sure, please contact ORSP (ext. 6606) before you purchase food using grant, contract, or other sponsored agreement funds.
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Food purchases (per diem) associated with employee or non-employee (contractor) travel is allowed if the travel expense in question is approved in the grant or contract.

State and federally funded grants and contracts have strict restrictions on non per-diem food purchases.

State-funded Awards

Unless specifically provided for in a state-funded grant, contract, or other sponsored agreement, non-per diem food purchases for meetings, conferences, workshops, receptions, and banquets are NOT ALLOWED.

Purchase of alcoholic beverages is never allowed.

These restrictions apply to all funds originating from state of Texas funds. In addition, federal or private funds that pass through state agencies may have similar restrictions.

Federally Funded Awards

According to OMB Circular A-21, costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable. Purchase of alcoholic beverages is never allowed.

Costs of meetings and conferences, the primary purpose of which is the dissemination of technical information, are allowable. This includes costs of meals, transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences.

This is generally interpreted to mean the following:

- * In general, working meals (with agendas) or grant-related meetings with refreshments are allowable;
- * Food/beverage costs must be necessary to accomplish the objectives of the grant program or sponsored project; and
- * Food/beverages cannot be purchased for receptions or banquet-style meals.