

BUSINESS ENTERTAINMENT

Business entertainment expenses are ordinary and necessary expenses incurred to entertain Baylor clientele (e.g., potential students, donors, prospective employees, vendors, etc.). The entertainment must either be directly related to conducting Baylor business or directly precede or follow a bona fide and substantial business discussion. Business entertainment expenses may include meals or events that are primarily social in nature and serve a University business purpose. Business entertainment expenses are reimbursable based on actual expenses incurred.

Additional guidelines

- Entertainment expenses must be reasonable and not lavish or extravagant.
- Non-business portion of expenses will not be reimbursed.
- Reasonable tipping, which is normally 15% to 20% of the meal cost, will be reimbursed.
- Meals eaten alone do not qualify as business meals.
- Alcoholic beverages are not an allowable expenditure.

Documentation requirements

- Detailed (itemized) receipt, including proof of payment
- Name, date, and location
- Total amount of expense
- List of attendees including titles and affiliations or identification of a discernible group
- Business purpose, including business matter discussed

Reimbursement

Approved [Expense Reports](#) must be submitted to Accounts Payable within thirty (30) days from the date the business entertainment expense was incurred. Employee completes Expense Report through Baylor's ERO form. All supporting documentation must be scanned and attached to the expense report (e.g. receipts, bills, attendance list etc.). Per IRS rules and regulations, expenses not submitted for reimbursement in a timely manner are subject to inclusion in the employee's wages and reported as taxable income.