

Guidelines for the reimbursement of hospitality expenses

General information

In principle, Bavarian budgetary law **does not provide for covering hospitality costs**. This applies both to the resources of the Bavaria's state budget and to resources of third parties, since these must also be entered in the state budget. They are thus subject to the same legal provisions as state funds and must be used for the University's research and teaching tasks in accordance with the principles of necessity, efficiency and economy.

Expenditure on hospitality is particularly subject to critical scrutiny by the public. The usual private sector practice of maintaining contacts cannot be adopted by public institutions, since tax funds are used directly or indirectly in the public sector for such purposes.

Small gifts

No catering costs, but rather current operating expenses (and thus also able to be financed from state funds) are the usual gestures of courtesy, such as mineral water, coffee, tea or pastries offered to **guests** of the university during meetings in the research groups' rooms.

However, these expenses must also serve the original tasks of the university, as is the case, for example, with

- Meetings with **external persons** (e.g. visits of companies, cooperation with other universities)
- Meetings between officials of different university institutes, or
- Information or accreditation events

Such costs can be paid up to a limit of approx. 100 euros -from the research group account.

Other hospitality expenses cannot be paid from title group 73 (= teaching and research) due to earmarking in the budget. This also applies analogously to refinanced funds of the remaining funds account—expenditure type 920.

Hospitality justified for official reasons

In exceptional cases it may be appropriate for the fulfilment of the tasks of the university in the field of research and teaching, but also in administration, that **guests** of the university are catered for.

This applies in particular, if hospitality serves the purpose of

- public relations,
- maintaining international relations,
- maintaining industrial contacts to promote technology transfer,
- acquiring third-party funds and cooperation

If, in such exceptional cases, hospitality of guests should be necessary for **official reasons**, free third-party funds, i.e. third-party funding not specifically earmarked by the external funding provider, are to be used for the financing.

Donations

Funding from donations is only possible if no donation receipt has been issued for the funds. Donations for which a donation receipt has been issued cannot be used to cover representation expenses (i.e. no kitchen appliances, etc.).

Remaining funds from research / industrial contracts

Remaining funds from research contracts/industrial contracts continue to be earmarked for research and teaching purposes only. Representation expenses incurred in connection with the acquisition of research contracts can be financed with these funds.

Third-party funds may also be used to cover expenditure on hospitality to the extent permitted by the external funding provider's requirements or the earmarking of the funds. In particular, in cases where such expenses were explicitly planned into the project or where the terms of the contract permit this. The same applies to planned profits. This is also freely available unless it is necessary to cover economic deficits.

The following are generally not refundable

- the hospitality of guest lecturers in addition to the fee or catering expenses granted as part of the reimbursement of travel expenses
- catering at **internal** meetings and meetings of the committees, or at office meetings with representatives of other state institutions, unless the time and duration of the meeting is such (e.g. late into the evening) that a snack must be served
- the hospitality of members of one's own university after trial lectures within the framework of appointment negotiations, or during inaugural lectures
- the giving of tips
- the hospitality of accompanying persons
- gifts (in cash or in kind) to staff of one's own institution or to its members,
- social events, such as excursions and Christmas or birthday parties; this also applies to exam or doctoral parties

Such expenses shall be paid privately.

Eligible expenses

In principle, only expenses for representation and contact maintenance, the effect of which is clearly directed to the **outside world**, can be made. An indication of this is the composition of the participants; the number of external participants who do not belong to the state administration (students, employees and professors are members of the university!) must clearly outweigh internal participants.¹

The principles of efficiency and economy must be taken into account by defining the group of persons, by selecting a suitable venue and by determining the course of events.

The official purpose of the event or expenditure must be guaranteed and justified. The expenses must be in an adequate relation to the respective occasion (appropriateness).

¹ Events such as symposia, conferences, retreats, reviews, seminars, etc., which include catering expenses as part of the programme (breaks, lunch and dinner, dinner speeches, etc.), may, subject to the approval of the external funding provider, include the catering of all participants, irrespective of the ratio of external and internal participants.

- In the case of invitations to restaurants, only the costs of the **guests invited to fulfil the official purpose** can be covered on a regular basis.
- In principle, cost-covering contributions are to be levied when academic conferences are held. This applies in particular to events that include additional items on the programme, such as field trips, excursions or ceremonial closing evenings. The costs of such programme items should be covered by the income from the participation fees or by sponsors.
- Workshops: In this case, hospitality should generally be avoided. Practices in areas not included under public service are not an appropriate yardstick.
- For gifts and the procurement of letter paper, letter cards (greeting cards) and envelopes of particularly expensive quality (handmade paper, "Japanpost") or coffee crockery, coffee machines, refrigerators etc. for "representation purposes" there is usually **no official need**. In accordance with the budgetary principle of necessity and for reasons of efficiency and economy, budgetary or third-party resources may therefore not be used for this purpose (exceptions may be made in the case of third-party funds, provided that the funding provider consents or the funds are unrestricted and not earmarked).

For practical handling, please note:

The (original) receipts or invoices for reimbursement must be provided together with

- the chapter, title, cost type (KOA = 68600) and, in the case of third-party funded projects, expenditure type (AA),
- the account from which the payment is to be made (usually not TG 73, but corresponding project account or free third-party funds - without donation receipt)
- information on the presentation of the appropriate, efficient and economical use of funds; in particular, from which
- official occasion the catering costs arose. The official interest must be demonstrated, if possible by a detailed description of the programme or invitation.
- A list of participants, indicating the institution to which each host person belongs, is to be attached; members of the university are to be listed as such.

Representation expenses must be documented individually; a lump-sum payment is not permitted. Each expenditure must be listed on, or clearly evident from, the invoice document. General formulations such as "food and drink" or "dinner meeting" are not sufficient for accounting purposes.