TO: Finance ListServ
FROM: Allison Peyton, Director of Accounting Services
DATE: March 29, 2012
Re: Business meals when not in travel status

**Accounting Services Policy/Procedure Update**

The North Dakota University System (NDUS) adopted a new procedure.

**806.1 Payment or Reimbursement of Meals.**

The procedure was adopted to further explain policy 806.1, Payment or Reimbursement of Meals and other Travel or Institutional Expenses. This procedure does not change the per diem amounts reimbursed for employees traveling on business.

The change does affect the amount UND can pay or reimburse when UND hosts a business meeting for dignitaries, guests, seminars, conferences, or other group meals. The new NDUS procedure requires written justification of reasonableness for meals that exceed 125% of the U.S. General Services Administration (GSA) meal per diem.

The current North Dakota GSA rate per day is $46.00. 125% of the current rate is $57.50. GSA rates are updated annually in October.

The department paying the expense is responsible for justifying any amount over the 125% of the GSA rate. Examples of justifying reasonableness may include (not an all-inclusive list):

- Explaining the cost of meals is higher because room rental was waived for hosting the conference at their motel.
- Hosting a candidate and spouse for institutional recruitment. This involves showcasing Grand Forks, therefore, a variety of restaurants are used.
- Cost comparisons may be used to justify reasonableness.

The link to the NDUS procedure is [http://www.ndus.edu/makers/procedures/NDUS/default.asp?PID=460&SID=60&printable=1](http://www.ndus.edu/makers/procedures/NDUS/default.asp?PID=460&SID=60&printable=1).

The link to the current GSA per diem rates is [http://www.gsa.gov/portal/category/100120](http://www.gsa.gov/portal/category/100120)

The UND policy 2.5, Food and Beverage Purchase Approval will be updated to reflect the NDUS requirement.

If you have any questions contact Accounting Services at 777-2771 or email allison.peyton@und.edu