

Food and Beverage Procedure

Purpose

This Food and Beverage Procedures document (F&B Procedures) provides guidance to City employees and elected officials on allowable expenditures of public funds, including grant funds, for food and beverage purchases. **Generally, food and beverage purchases are not allowed.** Food and beverage purchases must meet public purpose expenditure guidelines defined as:

1. *A public purpose.* Public purpose is defined by the Minnesota Supreme Court as the following:
 - a. There is public purpose if the activity will benefit the community as a body.
 - b. There is public purpose if the activity directly relates to the functions of government.
 - c. There is public purpose if the activity does not have, as its primary objective, the benefit of a private interest.
2. *Authority.* Specific or implied authority for the expenditure must be in State statute or in the City's charter. Specific authority is usually clear; if it is not clearly stated as an allowed expenditure, you should contact the City Controller (Controller) in the Finance and Property Services Department for clarification of policy and procedures before making the expenditure. The Controller may involve the City Attorney's office in a unique situation.

Providing food and beverages with City funds is **not** an allowable expenditure, **except** under the following exceptions:

Allowable food and beverage

The purchase of food and beverage is allowable if it meets **all** criteria of the Public Purpose Expenditure guidelines, **and** one or more of the following:

1. Public Outreach Programs (Program) held for the public's benefit where most of the program participants are **not** City employees, and
 - a. The Program is open to Minneapolis residents and property owners; and,
 - b. The purpose of the Program is to serve the public through education, training, or the provision of specific services.
 - c. The Program must be pre-approved through one of two methods:
 - i. After the beginning of a budget year submit to the Chief Financial Officer (CFO) and the City Coordinator specific detail of the expenditure and budget source for the expenditure. When actual invoices are submitted to Finance for pre-approved events, the submission shall contain details on the list of attendees, menu by line item, and vendor (including efforts for Target Market Program and diverse spend vendor participation); or
 - ii. Annual budget process in which departments will separately describe (to the Chief Financial Officer only in writing by September of each year for the following budget year) the on-going and new Programs for the following fiscal year, the amount of food and beverage designated in each Program, and the budget source for the expenditure.
 - d. A Program must include a majority of attendees from the public. Rare exceptions for Programs in which the majority of attendees are employees may be considered but must be approved in advance by the department head and Finance Department. Such exceptions could include pre-planned and budgeted major City events (i.e. the Super Bowl).
 - e. Council member ward meetings are considered a Program.
2. Public Meeting held for the public's benefit where most of the meeting participants are **not** City employees or appointed committee members, and

- a. The meeting has a structured agenda with a topic related to the Official Business of the City of Minneapolis, and
 - i. Official Business means meetings that are:
 1. Directed or approved by the City Council;
 2. Part of a City promoted initiative approved by the City Council; or
 3. Are required by Charter or Ordinance.
 - b. The meeting is open to the public and the public is invited to participate in discussion.
3. Official meetings of the City Council or Council Committee:
 - a. When the meeting does not allow for interruptions for meal breaks.
4. Annual department meeting with a formal agenda and presentation for purpose of:
 - a. Department goal setting and planning; or
 - b. If a department is not able to meet in a single meeting, each department will have access to a set amount of funds each year to hold individual division meetings for goal setting and planning purposes. The annual amount in total for the division available will be the average number of employees times the current GSA dinner per diem for Minneapolis verified by the City Controller.
 - c. All single department or separate department/division meetings must qualify as public purpose, be distributed equitably among all employees and all employees are invited to participate. No gift cards, gifts, or trinkets may be purchased for employee recognition with City funds. No alcohol may be purchased. No meals or beverages are allowed for spouses and third parties.
5. Safety or certification training that is required (for example OSHA and POST required trainings, regulated positions mandated certifications) only when the training lasts more than four hours and it is more efficient to provide food rather than break for an employee paid meal due to location of training and time constraints.
6. Certain election activities when employees are not allowed to leave their polling place or election location for six hours.
7. Interview panels and applicant testing when the interviews or testing lasts longer than six hours continuously.
8. Emergency response centers are activated due to a natural disaster, public safety threat, or City sponsored major event.
9. Employee Support Events may purchase snacks for events that meet all of the following:
 - a. Are open to all City employees and all employees receive advance notice of the event; and
 - b. Are approved by the City Coordinator; and
 - c. Are held at a City facility (food for off-site events is not allowed); and
 - d. The snack cost must fall within the per diem amount under allowable meals and rates 2(d)(i) below.
10. Formal employee recruitment programs that meet **all** the following requirements may purchase cake or an equivalent for a ceremony to acknowledge completion of the recruiting program:
 - a. Are approved by the City Coordinator and Human Resource Officer in advance of the recruitment program; and
 - b. Require a candidate commitment of at least 16 hours over more than one day; and
 - c. Are for the purpose of advancing the candidates into a public safety or apprentice type city position for which the City is experiencing recruiting difficulty or in which a training component is part of the recruitment process.

Grant funded food and beverage purchases must meet **all** requirements of these F&B Procedures.

Allowable meals and rates

1. Payment shall not be allowed for more than one meal per day unless it is related to an emergency or a major event. Exceptions may be requested to the CFO 20 days in advance for certain trainings with extended hours with a response from the CFO within five business days.
2. Allowable reimbursement rates for meals and beverages The GSA per diem rate can be found at: [GSA.gov/travel/plan-book/per-diem-rates](https://www.gsa.gov/travel/plan-book/per-diem-rates). Select the year and the state/city for accuracy.
 - a. Breakfast – Up to a maximum of the current GSA per diem breakfast rate applicable to Minneapolis. 2022 rate is \$18.00. This rate includes all taxes, tips, service fees, and delivery charges. If snacks or beverages are purchased in addition to a meal, they are included in the per diem amount.
 - b. Lunch – Up to a maximum of the current GSA per diem lunch rate applicable to Minneapolis. 2022 rate is \$20.00. This rate includes all taxes, tips, service fees, and delivery charges. If snacks or beverages are purchased, they are included in the per diem amount.
 - c. Dinner/Supper (meals after 5:00 p.m.) – Up to a maximum of the current GSA per diem dinner rate applicable to Minneapolis. 2022 rate is \$36.00. This rate includes all taxes, tips, service fees, and delivery charges. If snacks and beverages are purchased, they are included in the per diem amount.
 - d. Snack foods and beverage are allowed only when a meeting or event qualifies under allowable food and beverage section above **and** the event lasts longer than three hours.
 - i. If only snacks and beverages are served: Up to a maximum of 50 percent of the current GSA per diem breakfast rate applicable to Minneapolis. 2022 Rate is \$9.00 (\$18.00 X .50). This rate includes all taxes, tips, service fees, and delivery charges. Snacks may be purchased for meetings, events, or programs that meet the criteria above.
 - ii. If snacks and beverages are served at any time during the meeting time in addition to a meal: the cost of snacks and beverages shall be included in the maximum applicable meal rate identified above.

Preapproval requirements

Once it is determined a food and beverage purchase meets the criteria, advance approval requirements are outlined as follows:

1. Over \$500 – Department Head or designee approval in advance in writing. The requesting department will be expected to retain documentation of approval and submit it with invoice(s) for payment.
2. Over \$1,000 – After department head approval, Chief Finance Officer must approve in advance in writing all food purchases over \$1,000 except election related food expenses. Approvals must be submitted 15 days before the event and responses will be provided within five business days. A department may submit approval to the CFO for multiple requests at the beginning of the year.

These requests can include a full list of Programs, public meetings, annual department/division meetings with expected dollar amounts, public purpose rationale, number of attendees and previous year documentation of cost, menu and expected attendees. The requesting department will be expected to retain documentation of pre-approval and submit it with invoices for payment.

When actual invoices are submitted to Finance for pre-approved events, the submission shall contain details on the list of attendees, menu by line item, and vendor (including efforts for Target Market Program and diverse spend vendor participation).

3. Elections – City Clerk can provide one written approval for all election related food expenses. CFO approval is not required.

4. Requests for food and beverages not explicitly allowed under this policy that meet all Public Purpose requirements may be submitted in writing by the department head with a justification 20 days prior to the event to the CFO for consideration. Responses will be provided within five business days.

Purchasing and payment procedures

The following procedures must be followed for all allowable and authorized food purchases:

1. P-Card is the preferred method to make the purchase. If a P-Card purchase is not possible, reimbursements of up to \$500.00 will be allowed for eligible costs.
2. Approval must be submitted for payment within 10 days of purchase.
3. The following documents must be attached to the voucher or P-Card statement:
 - a. Pre-approved request for expenditures over \$500 (Department Head) or over \$1,000 (CFO)
 - b. Statement of the public purpose of the expense
 - c. List of attendees of the meeting or event where food is served
 - d. Agenda for the meeting or event including start and end times
 - e. Original itemized receipt of the purchase
4. City staff are required to use Target Market vendors for food events in City Hall and other City facilities as well as places where a specific caterer is not required for that venue.

Other considerations

Per [Minnesota Statute 471.382](#), a person making an unauthorized charge is personally liable for the purchase. For City purposes “a person making” means the person authorizing or directing the purchase, which may not be the person actually making the purchase.

To minimize food related expenditures and potential for abuse, employees should make every effort to schedule general business meetings or conferences at City offices and during customary business hours. Whenever possible, meetings shall be scheduled to minimize inclusion of meals or to allow for an unpaid meal break.

In addition to other requirements in these procedures, breakfast will be allowed only if the meeting or event start time is a minimum of one hour prior to normal starting hours. For example, if a department or division’s work hours start at 8:00, the meeting must start at 7:00 or earlier to qualify for food and beverage expenditures. For field staff that normally start at 7:00, the meeting must start at 6:00 or earlier to qualify. Meals for meetings that occur after typical work hours will be handled on a case-by-case basis.

Food and beverages eligible for purchase or reimbursement while in travel status, either local or long distance, are excluded from these F&B Procedures and are addressed in the Local and Overnight Travel Procedures.

Review and authorization

Updated April 2019

Updated December 2021

Contact

Questions about these F&B Procedures should be directed to the Controller or Internal Controls Finance Manager in the Finance and Property Services Department.