September 10, 2010

Dear Colleagues:

In 2008, as the State and University faced a very challenging budget period, President Yudof and EVC Kliger called on us to eliminate unnecessary travel and entertainment expenses.

Currently, as we continue to face uncertainty about the University budget, I would like to reiterate the Divisional policy on entertainment expenditures, which will be extended through June 30, 2011.

As a reminder, I am instructing our divisional resources staff to hold the Divisional per-person reimbursement limit to $45 for dinner (inclusive of alcohol), $30 for lunch, and $26 for breakfast. Please note that the limits for lunch and dinner are lower than campus allowable limits.

My practice of approving requests for reimbursement of alcohol purchased with dinner (up to $12 per person) will remain unchanged; however, please remember that all reimbursements for purchases of alcohol are exceptional requests, which must advance University business interests. Note that federal and state funds may not be used for this purpose.

I understand that there may be circumstances where these limits are too low. Examples might include, for example, official banquets at professional meetings, or certain catered events at which multiple non-campus participants are entertained for development purposes. Such exceptions will be considered on a case-by-case basis. Any requests for exceptional reimbursement above divisional limits must be accompanied by written explanation of why higher costs were unavoidable and necessary to meet a bona fide University business purpose. Unless pre-approved, reimbursement for such expenditures is not guaranteed, and excess costs are incurred at the risk of the official host.

Please note that these limits apply regardless of fund source, including contract and grant funds and gift funds. All funds at the University of California are public funds, which must be managed to advance our institutional mission.

Judging from recent reimbursement requests, I anticipate that the new limits will have little impact on the majority of our faculty, staff, and students. However, the overall savings that can be used for research and education will be substantial.

I very much appreciate the willingness you have shown to work within our divisional limits over the last two year. Your cooperation helps us work together to protect and extend our core research and instructional programs.

Sincerely,

Steve Thorsett, Dean