

## **Food & Beverage Policy**

*Effective upon passage of Ord. 0394-2024*

### **I. Introduction & Definitions**

Columbus City Council and various City departments have a need to purchase food and/or beverage items for various programs and events throughout the year that serve a public purpose. Columbus City Council and City departments routinely host programs and events where public attendance and participation is solicited. It is common for these events to occur during evening hours or during times in which meals or snacks would facilitate public attendance and engagement. Furthermore, Columbus City Council and City departments host employee recognition, training, and staff development events which both recognize and honor employees for work related achievements and train and develop staff for better programmatic and service delivery to the community. As such, Ordinance 3197-2022 amended the City Purchasing Code by enacting sections 329.35 and 329.351 which authorizes City departments to purchase food, refreshments, snacks, meals, mementos, or other like amenities and, if necessary, to rent a site or venue for programs, events, or engagements that serve a public purpose. The aforementioned ordinance also appointed the Director of Finance and Management as City Council's designee for approval of such purchases that satisfy a public purpose.

This document furnishes guidance to City departments and governs the approval process for such expenditures. It is the responsibility of City departments to adhere to this policy for approval by the Department of Finance and Auditor's office for related encumbrances and expenditures. It is the Department Director's responsibility to develop their own departmental policy that adheres to this processing policy and provides required internal procedures to department employees. Furthermore, standard contract requirements under Chapter 329 will still apply and following this process does not absolve one from having to execute a contract if otherwise required by law or process.

This policy is intended to provide standards and appropriate levels for expenditures while providing controls to prevent abuse, foster accountability and maintain cost effectiveness. This policy is not intended to address every possible issue, exception or contingency that may arise in the course of processing requirements or approved expenses.

#### **Definitions:**

- a. External Activity: Any community program or event sponsored by the City where members of the public are invited to attend.
- b. Internal Activity: Events honoring employees for work-related achievements and/or contributions to the community, employee development programs to train and prepare staff for better programmatic and service delivery to the community, and extraordinary circumstances where food and beverage are needed for employee safety or program delivery.
- c. Budget Reservation: (BRDI, BRPO, BRPR) Reserves funds to pay for estimated expenses with a warrant. The BRDI, BRPO, and/or BRPR must be certified by the Auditor's Office

prior to incurring obligation for payment. Any expenses to be paid using a department Pcard or petty cash should be encumbered via the use of a BRDI. Other expenses should be encumbered using a BRPO and/or BRPR.

- d. Request Form: Food & Beverage Expenditure Request Form
- e. Procurement Card (Pcard): Some divisions have obtained a City procurement card to use for payment of certain expenses. Each Division with a Pcard must have an internal Pcard Policy for how the Pcard is to be used for purchases.

## II. Approval & Reporting

- a. Prior to expenditures being made for any Internal or External Activity, the benefit of the Activity to the City must be approved by the Department of Finance and Management Director or Designee prior to any payment or funds encumbered for payment. Additional department specific approval procedures may be required in addition to this policy at the discretion of the Department Director.
- b. In order for all actual, necessary and reasonable expenses to be paid or reimbursed the responsible department shall have the budget reservation approved by the Department of Finance and Management Director or Designee and certified by the City Auditor prior to any obligation being incurred by the City. The City Auditor is required to verify that the monies have been appropriated and not encumbered for any other purpose in an amount sufficient to pay the estimated expenses. Any expenses incurred by a departmental employee prior to obtaining required certification will be at the employee's own expense. Exceptions may be made for special circumstances only with written approval from the Department of Finance and Management Director.

## III. Encumbering Funds

- a. City departments must establish a Budget Reservation in advance of any goods or services being provided in regards to the Internal or External Activity. The use of a BRPO is preferred (however some cases may also require the use of a BRDI and/or BRPR).
- b. City departments must complete the Request Form, which will include a detailed summary of the Internal or External Activity and any related expenditures (i.e. food, beverage, venue, amenities, etc.). The Request Form will also require the department Director to attest to the public purpose served through the event, program or engagement. The form must be attached to the related budget reservation for review and approval by the Department of Finance and Management.
- c. City departments must submit budget reservations in the D365 system, which will be routed to the Department of Finance and Management for approval, with subsequent certification by the City Auditor.
  - Expenses to be paid using a Pcard or Petty Cash must be encumbered on a specific PCard or Petty Cash BRDI. However, the Request Form should detail the expenses to be paid on the Pcard or Petty Cash in the "Pcard or Petty Cash Usage" section, as well as the accompanying BRDI. The department Pcard and/or Petty Cash administrators should develop internal policy for use of Pcards and Petty Cash. The PCard Administrator should confirm sufficient funds are available on the Pcard or Petty Cash BRDI prior to purchases.
  - Expenses to be paid from a subsequent Purchase Order will be encumbered on a BRPO and/or BRPR.

- Budget Reservations (i.e. BRDI, BRPO, and/or BRPR) should be completed and submitted to the Department of Finance and Management as soon as possible prior to the Internal or External Activity for review and approval.
- When preparing a Budget Reservation, departments must use main account number 62200 for food and materials and/or main account 63025 for services, catering, rental, etc. Use of these main accounts will allow for proper document routing in D365.

#### IV. Allowable Costs

##### a. Cost Categories

- Food (including refreshments, snacks, meals, etc.)
- Beverages (non-alcoholic only)
- Mementos
- Amenities
- Site/Venue Rental

Note: Site/venue rental that does not include a food & beverage component is not covered by this policy and Departments should refer to the standard policies and procedures for such circumstances.

- Catering
- Attendance by employees to events or meetings (that serve a public purpose) where snacks, meals, beverages (non-alcoholic only) are served and included in overall cost.
- Event sponsorship/support/table purchases of less than \$5,000 to Not-for-Profit companies, where City Council approval is not required but includes food and beverages to employee attendees. Sponsorships that do not include a food & beverage component are not covered by this policy and Departments should refer to standard policies and procedures for such circumstances. Note: any sponsorship/support/table purchases over \$5,000 is generally considered to be a grant and should be specifically ordained by City Council. Furthermore, grants may only be provided to Not-for-Profit entities.

##### b. Cost Criteria

- The Department of Finance and Management will review encumbrances to ensure that;
  - i. The expenditure is integral to the successful execution or completion of a program, event, or engagement; and
  - ii. The expenditure is not manifestly arbitrary or unreasonable, as prescribed by these rules and
  - iii. A per-person, per-meal cost shall not exceed the applicable per diem by meal established by location as set by the Federal General Services Administration; and
  - iv. The maximum allowable delivery fees, services charges, and gratuities shall not exceed 100% of the combined cost of the categories listed in section (a) above.
  - v. The total per-person cost per Internal Activity (which includes food, beverage, mementos, and amenities) shall not exceed \$50. Exceptions may be made for special circumstances only with written pre-approval from the Department of Finance and Management Director.

- vi. The number of events honoring employees for work-related achievements and/or contributions to the community shall not exceed one such event per calendar year per department/programmatic area. Similarly, the number of employee development programs to train and prepare staff for better programmatic and service delivery to the community shall not exceed one such event per calendar year per department/programmatic area. Exceptions may be made for special circumstances only with written pre-approval from the Department of Finance and Management Director.

**V. Approval Process for Budget Reservations**

- a. Submitting departments shall create and submit a Budget Reservation in the D365 system.
- b. This Budget Reservation shall include the Request Form and any supporting documentation attached to the Budget Reservation in the D365 system.
- c. The Budget Reservation shall be coded using main account 62200 for food and materials and/or main account 63025 for services, catering, rental, etc. The use of these main accounts will ensure proper accounting and routing of the document in D365.
- d. Once submitted for approval, the Budget Reservation will be routed to the Department of Finance and Management Budget Office (within D365) for review and approval.
- e. The submitting department's assigned budget analyst will review the Budget Reservation and notify the submitting department personnel of any questions or additional information needed.
- f. Once approved by the Department of Finance and Management, the Budget Reservation will be routed (within D365) to the City Auditor for final review and certification.

**VI. Purchase Order and Pcard Processing**

- a. Once the Budget Reservation has been certified by the City Auditor, departments can then make related Pcard or Petty Cash purchases and/or establish Purchase Orders.
- b. Pcard or Petty Cash purchases related to the Internal or External Activity should be made only from previously approved/certified BRDI Budget Reservations conforming to the process prescribed herein.
- c. Purchase Orders related to the Internal or External Activity should be processed only from previously approved/certified BRPO or BRPR Budget Reservations conforming to the process prescribed herein. All related Purchase Orders will require approval from the Finance Director or designee.
- d. Any Purchase Orders generated from Budget Reservations that have not been approved and certified in accordance with this policy shall be rejected by the Department of Finance and Management.
- e. Pcard or Petty Cash purchases must adhere to the following:
  - i. The submitting department must have a certified BRDI, which has been approved by the Department of Finance and Management as having satisfied a public purpose; and
  - ii. The related BRDI must be established with the proper main account (i.e. 62200, 63025); and

- iii. The submitting Department Director or designee who approves Pcard or Petty Cash transactions is responsible for ensuring that Pcard or Petty Cash purchases are in accordance with the items specified in the certified BRDI.