

## CHARGING FOOD COSTS TO FEDERAL GRANT AWARDS

These guidelines are for PIs in charge of federal grant awards and those approving charges to such awards. They draw on the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; the guidelines of federal agencies such as the National Institutes of Health and the National Science Foundation; and DePaul policy.

### General Considerations

The following general considerations apply whenever food costs are being charged to a federal grant award:

- ✓ When dealing with food costs, always keep in mind that “entertainment” costs may not be charged to federal grant awards.
- ✓ The food costs should appear in the project budget that was approved by the awarding agency. If this is not the case, PIs and approvers should consult with the Office of Research Services before initiating or signing off on food-related expenses.
- ✓ The costs must clearly and directly benefit the grant project to which they are being charged.
- ✓ For this reason, all food costs must be soundly documented in a manner that makes it possible for a third party to easily determine how the costs benefitted the project.
- ✓ The costs must be reasonable, reflecting market value or below. Obtaining multiple price quotes for larger purchases, such as catering for an off-campus meeting, will help to ensure this.
- ✓ The costs must be allowable by federal standards. For example, charging alcohol to federal grants is typically deemed unallowable.
- ✓ The costs must be consistent with DePaul policy.

### Some Specific Types of Food-Related Costs

#### ***Business Meals***

As a general rule, a business meal may be charged to a federal grant award only when the cost is travel related. The travel should be in the approved grant budget, and the meal expense must also be consistent with DePaul policy. A meal purchased when a DePaul employee is not in “travel status” is typically considered a personal expense and may not be charged to a federal award.

These guidelines regarding business meals should be kept in mind when a restaurant receipt includes costs for those who are in “travel status” are those who are not. For example, if a

collaborator from a university in another state comes to DePaul to confer with DePaul's PI, and the PI and collaborator go out to dinner, the collaborator's meal cost could be charged to the federal award since he/she is in travel status. However, the federal award could not be charged for the cost of the PI's local business meal.

### ***Food for Grant-Related Conferences and Meetings***

The cost of meals and refreshments during a conference or meeting that is part of a federal grant project is allowable only under the following circumstances:

- ✓ The conference/meeting is undertaken to further the goals of the grant project.
- ✓ The associated food costs appear in the approved project budget.
- ✓ There is a formal agenda for the conference/meeting and an attendee roster.
- ✓ Participants come to the conference/meeting from different locations.
- ✓ Meals/refreshments provided are necessary to accomplish legitimate meeting or conference business (e.g., a working lunch is provided so that those attending can conduct a planning session or hear a project-related presentation.)

This means, for example, that the cost of a coffee break and a working lunch associated with holding a semi-annual project advisory committee meeting with attendees from all over the state would typically be allowable.

In contrast, federal funds should not be used to provide food for "intramural meetings" (those held within DePaul), including meetings of DePaul grant project staff. A "welcome lunch" for a new member of the grant project staff would be "intramural" in nature and therefore not allowable, as would the cost of a planning meeting for grant staff held over dinner.

Conference receptions fall under the category of entertainment/hospitality and may not be charged to federal awards even if other meal costs during the event are deemed appropriate.

### ***Food for Research Subjects and Project Participants***

The cost of food/meals for research subjects is allowable on a federal project, assuming all human subject compliance requirements are in place and the costs are part of the approved project budget.

Similarly, some grant programs permit providing food/meals to participants as a form of participant support when the project is being conducted for their benefit. For example, if a summer day camp to foster interest in STEM-related fields were being conducted for middle-school girls, providing a boxed lunch each day could potentially be allowable, depending upon the approved budget and the funding agency's guidelines.

***Please consult with ORS if you are unsure whether food-related costs may be charged to a particular federal grant award. Contact Doug Petcher, Director, Grants Compliance & Award Management ([dpetcher@depaul.edu](mailto:dpetcher@depaul.edu)) or Bob McCarthy, Associate Director, Award Management ([RMCCART1@depaul.edu](mailto:RMCCART1@depaul.edu)).***