**Purchase of Alcohol UPPS No. 03.01.18**

**Issue No. 1**

**Revised: 07/31/2019**

**Effective Date: 11/14/2014**

**Next Review Date: 06/01/2024 (E5Y)**

**Sr. Reviewer: Associate Vice President for Financial Services**

**01. POLICY STATEMENTS**

\*01.01 This policy sets forth guidelines for the purchase of alcohol for university- sanctioned activities at Texas State University.

01.02 The [Texas State University System (TSUS) Rules and Regulations, Chapter III, Section 6.8](https://gato-docs.its.txstate.edu/jcr%3A3886f00c-3e13-496d-a28f-d1eee580775a/TSUS_Rules_and_Regs_thru_05-23-19.pdf), states that “The Board of Regents has determined that the expenditure of institutional funds that are not otherwise restricted for the purchase of food, refreshments, and achievement awards assists the Components in the System in carrying out their educational functions, promotes education in the State of Texas, and provides an important public purpose.” Further, the [TSUS Rules and Regulations](https://gato-docs.its.txstate.edu/jcr%3A3886f00c-3e13-496d-a28f-d1eee580775a/TSUS_Rules_and_Regs_thru_05-23-19.pdf) authorize the president to “implement this policy through appropriate directives and delegation.”

01.03 The president delegates approval of alcohol purchases and reimbursements to the requestor’s respective President’s Cabinet officer. The approval role cannot be delegated by the Cabinet officer. The President’s Cabinet is comprised of the provost and vice president for Academic Affairs, vice president for Finance and Support Services, vice president for Information Technology, vice president for Student Success, vice president for University Advancement, director of Athletics, the special assistant to the president, and the presidential fellow.

01.04 The requestor’s respective Cabinet officer must give pre-approval before the alcohol is purchased. Documentation of the pre-approval must be attached to the purchase requisition or payment document. An [AP-12](https://www.txstate.edu/gao/ap/forms.html) form may be used for this purpose.

01.05 Expenditures for alcohol must have a clear business purpose and meet one or more of the following criteria:

1. the recognition or promotion of academic achievement, athletic achievement, scholarship, or service to Texas State or the state of Texas at officially-recognized events;
2. the promotion or communication of intellectual ideas or exchange of administrative and operational information on programs or allowable activities of the institution among students, faculty and staff, administrators, and representatives of the public. Approved activities under these criteria include business meal reimbursements (see [FSS/PPS No. 03.11](https://policies.txstate.edu/division-policies/finance-and-support-services/03-11.html), Business Meals and Food Purchases, for further guidance);
3. the support of student events and activities that are sponsored by Texas State;
4. the recruitment of highly qualified faculty and staff in accordance with [FSS/PPS No. 03.11](https://policies.txstate.edu/division-policies/finance-and-support-services/03-11.html), Business Meals and Food Purchases;
5. the promotion of the exchange of ideas with business and community leaders regarding the role of Texas State in support of economic development, cultural enrichment, and partnerships within the community;
6. the assistance of The TSUS Board of Regents, accrediting agencies, officials from other universities, or public officials in inspecting and reviewing facilities and programs; and
7. the representation of the university to significant external constituents by one of the primary offices charged with such duties. The Office of the President, offices of Cabinet-level officers, Office of the Associate Vice President for Research and Federal Relations, offices of academic deans, and Office of the Dean of Students are the primary offices charged with these duties.

01.06 Specific exemptions from the requirement of Section 01.05 include the following:

1. events that are sponsored by the president; and
2. purchases of alcohol for resale.

01.07 Under no circumstances are budgets or funds allocated, or under the control and responsibility of intercollegiate athletics, used to purchase alcohol.

01.08 Exceptions to this policy may only be made with prior approval from the president or the requestor’s respective Cabinet officer. Approval of the exception must be indicated on the payment document. The approval role cannot be delegated by the Cabinet officer.

**02. PROCEDURES FOR FUNDING THE PURCHASE OF ALCOHOLIC BEVERAGES**

02.01 With proper pre-approval, the university allows the purchase of alcoholic beverages with specifically-designated funds, including investment earnings on such funds. These funds include:

a. university fund (FC 4001641000 / CC 1040100001);

b. departmental restricted gift funds where business purpose is consistent with donor restrictions (FC 4XXXXXXXXX / CC XXXXXXXXXX); and

c. funding received through an external sponsorship for an event governed by an agreement that specifically authorizes the purchase of alcohol for the event from the external sponsorship. Sponsorship agreements must be reviewed and approved by one of the following prior to execution: the divisional Cabinet officer, the academic dean, or the Dean of Students.

02.02 All purchases of alcohol must be in accordance with [UPPS No. 05.03.03](https://policies.txstate.edu/university-policies/05-03-03.html), Alcoholic Beverage Policy and Procedure.

**03. PROCEDURES FOR PURCHASE AND PAYMENT OF ALCOHOL**

03.01 Purchase requisitions are normally required for purchases of alcohol. The account manager or designee must obtain pre-approval from the respective Cabinet officer. Cabinet officer approval must be attached to the requisition.

03.02 In extraordinary circumstances where processing a purchase requisition is not feasible:

* 1. a department may request reimbursement for expenditures with the completion of the Texas State e-NPO document, if the reimbursement is in accordance with Texas State policy and procedure. Sections 01.03 and 01.04 of this policy require Cabinet officer pre-approval for alcohol purchases be documented on the e-NPO; and
	2. under no circumstance may a Texas State P-Card be used to purchase alcohol unless authorized by a Cabinet officer.

03.03 Any catered event must comply with [UPPS No. 05.03.02](https://policies.txstate.edu/university-policies/05-03-02.html), Catered Events.

03.04 Itemized invoices or receipts should be attached to each payment document. There should be adequate records or sufficient evidence of:

a. the amount;

b. the date, place, and description of the expenditure;

c. the business purpose and the benefit to Texas State; and

d. a list of the attendees and the business relationship of the persons involved.

**04. REVIEWERS OF THIS UPPS**

04.01 Reviewers of this UPPS include the following:

Position Date

 Associate Vice President for June 1 E5Y

 Financial Services

Director, Procurement and June 1 E5Y

 Strategic Sourcing

 Director, General Accounting Office June 1 E5Y

**05. CERTIFICATION STATEMENT**

 This UPPS has been approved by the following individuals in their official capacities and represents Texas State policy and procedure from the date of this document until superseded.

 Associate Vice President for Financial Services; senior reviewer of this UPPS

 Vice President for Finance and Support Services

 President