

Alcohol Policy Summary

There are three University policies that relate directly to Alcohol.

- AD18
- FN10
- FNG06

See the University Policy Manual for the complete Policies. This document is intended to assist University employees comply with University Policy when there is a potential for alcohol to be at a University event.

Policy AD18 POSSESSION, USE AND DISTRIBUTION OF ALCOHOLIC BEVERAGES

The use, possession and distribution of alcoholic beverages are prohibited upon the property of The Pennsylvania State University unless specifically authorized.

Non-University Groups

This policy clearly outlines that non-University Groups will not be granted permission to use or possess alcoholic beverages and references Policy AD02 NON-UNIVERSITY GROUPS USING UNIVERSITY FACILITIES. (*Rare exception may be given but must be affirmatively approved by the Senior Vice President for Finance and Business, Gary Schultz.)

University Groups

In Facilities used for classrooms, lecture halls, laboratories, libraries, research areas, or within buildings, arenas or areas where athletic events, lectures or concerts are held, during such events or activities, the use, possession and dispensing of alcoholic beverages is specifically prohibited. Permission will not be granted to use or possess alcoholic beverages in a facility which is being used for one of the above functions at the time of the request. If the facility at the time of the request would normally be closed, or has access limited to invited guests, permission to possess and use alcoholic beverages may be granted with appropriate approval.

AREAS OPEN TO THE PUBLIC:

The possession and use of alcoholic beverages in areas open to the public, including areas of buildings open to the public, are prohibited unless approved by the Senior Vice President for Finance & Business (at University Park) non-UP campus process by using the Permission to Possess/Use Alcoholic Beverages Form and routing through the department's budget executive.

Keep in mind that permission will not be granted for undergraduate student groups or organizations to use or possess alcoholic beverages since, by the nature of the organizations, most of the members in the groups or organizations are under the age of twenty-one.

Also, the Vice President for Student Affairs is to be consulted before permission is granted to use or possess alcoholic beverages in a facility or area generally used for undergraduate non-academic functions at the University Park campus, such as the Hetzel Union Building, dining halls, Robeson Cultural Center, etc.

PRIVATE OR CLOSED AREAS:

The possession and use of alcoholic beverages are prohibited in conference rooms, offices, office reception rooms, closed buildings and areas of buildings not open to the public or from which the public has been excluded, unless approved by Senior Vice President for Finance & Business (at University Park) non-UP process by using the Permission to Possess/Use Alcoholic Beverages Form and routing through the department's budget executive.

STANDING EXCEPTIONS:

The possession and use of alcoholic beverages, subject to the laws of the Commonwealth, are permitted in a facility licensed by the Pennsylvania Liquor Control Board, and in individual housing units (rooms, apartments and homes) owned by The Pennsylvania State University.

Policy FNG10 and FN06 address group meals/meetings and alcoholic beverages and are the administrative guidelines when having alcohol at an event has been appropriately approved.

Policy FN10 OTHER BUSINESS EXPENSES AND ACTIVITIES

ALCOHOLIC BEVERAGES:

Definition -

Any beverage for which the Pennsylvania Liquor Control Board has jurisdiction, including beer and wine. (See also Policy [AD18](#).)

Policy -

Alcoholic beverages and related costs (i.e., bartending services) are only permitted to be purchased from University funds for events involving University guests, and in those cases, can only be charged to unrestricted donor funds. Alcoholic beverages and related costs cannot be charged to general funds, miscellaneous general research funds and/or endowed funds (unless the guidelines specifically permit the purchase of alcoholic beverages). There must be a valid business purpose for the event and the presence of the guests. It is not permissible to provide alcoholic beverages purchased from unrestricted donor funds at events involving only employees, employee's spouses or partners, and/or students, with certain limited exceptions (See [FNG06](#)).

Given the increased potential liability involved in providing alcoholic beverages at events funded by University funds, restrictions apply to events held at personal residences or if catered. See [FNG06](#) for details.

Policy FNG06 GUIDELINES REGARDING OTHER BUSINESS EXPENSES AND ACTIVITIES

ALCOHOLIC BEVERAGES:

As detailed in [FN10](#), alcoholic beverages and related costs (i.e., bartending services) are only permitted to be purchased from University funds for events involving University guests, and in those cases, can only be charged to unrestricted donor funds. Alcoholic

beverages and related costs cannot be charged to general funds, miscellaneous general research funds and/or endowed funds (unless the guidelines specifically permit the purchase of alcoholic beverages). There must be a valid business purpose for the event and the presence of the guests. If the event is being held on campus, but not in one of the facilities managed by Penn State Hospitality Services, compliance with AD18 is required, even if the alcoholic beverages being provided will not be paid from University funds. This requires completion of the Permission to Possess/Use Alcoholic Beverages form.

The following are additional guidelines:

Alcoholic beverages purchased as part of a group meal (including applicable taxes and gratuity) must be separated from the cost of the group meal and charged to unrestricted donor funds. The balance of the group meal, if permissible, may be charged to general funds (up to a per person limit of the per diem amount for the location, as noted above under Group Meeting/Group Meal Expenses). If alcoholic beverages are included as part of a group meal, a receipt detailing the alcoholic beverages is required. Purchase of alcoholic beverages should be reasonable and prudent in relation to the total cost of the meal or event; any costs determined by the Financial Officer to be excessive, will not be reimbursed and will be considered personal expenses.

Employee Only Group Meals/Events

- Any purchase of alcoholic beverages and related costs at employee only group meals/events is considered a personal expense and will not be reimbursed or permitted as expenditure against any University funds. Spouses/partners, children, University retirees, and Penn State students cannot be considered university guests for purposes of this guideline. In other words, including spouses/partners or graduate assistants/fellows with employees does not allow for the provision of alcoholic beverages from any University funds.
- Group meals/events hosted and attended by the President, Provost, Vice-Presidents, Vice-Provosts, Deans or Chancellors (the latter with the approval of the VP for Commonwealth Campuses) can provide alcoholic beverages paid from unrestricted donor funds.
- Any exceptions must be approved by the Corporate Controller.

Events/Group Meals with Students as Guests

- The following approvals are required if the event involves alcoholic beverages and Penn State students as guests:
 1. Purchase of alcoholic beverages for events with guests that include Penn State graduate students must be approved in advance by the Administrative Officer.
 2. At University Park, the purchase of alcoholic beverages for events with guests that include Penn State undergraduate students must be approved in advance by the Vice President for Student Affairs.
 3. At non-University Park Locations, the purchase of alcoholic beverage for events with guests that include Penn State undergraduate students must be approved in advance by the Chancellor and Director of Student Affairs at that

location. For any events held on-campus, a *Permission To Possess/Use Alcoholic Beverages* form must be completed/approved. A copy of the approved form must be forwarded to the Senior Vice President for Finance & Business/Treasurer.

4. These approval requirements do NOT apply to events held at private residences. In those situations, the host is expected to use their judgment and assumes all liability related to serving alcoholic beverages when students are present.

Alcoholic Beverages at University-Funded or Sponsored Events

As noted in FN10, the provision of alcoholic beverages at University-funded or sponsored events holds increased potential for liability. The following are requirements which must be met for all University-funded or sponsored events which include the serving of alcoholic beverages, even if provided through a cash bar, or paid by an outside sponsor or individual:

- If the event is held at an established hotel, restaurant or other facility, bartender services must be provided by the facility. All agreements must be reviewed and signed by Risk Management, as required by Policy FN11.
- If the event is being held at a personal residence or a facility which does not offer catering or bartending services (such as a community center or outdoor venue):
 - If a caterer is used and will provide the bartender, then the caterer must have appropriate liquor liability insurance, even if the caterer is not supplying the alcoholic beverages.
 - If a caterer is used and the only alcoholic beverage being served by the caterer is wine during a meal, no bartender is required, but the caterer must have the appropriate liquor liability insurance, even if the caterer is not supplying the alcoholic beverages.

Only caterers listed by Risk Management as having liquor liability coverage may be used to serve alcohol for such events. A listing of caterers whose insurance have been reviewed is available at <http://guru.psu.edu/risk/caterers/>

If a caterer is used, but does not supply or serve the alcoholic beverages, liquor liability insurance is not required. However, the department is responsible to procure a certified bartender to serve any alcoholic beverages provided.

If no caterer is used, or if the caterer will not be serving the meal and more than 20 people are attending a bartender who has been credentialed as either "Training in Intervention Procedures by Servers" (TIPS) Certified or "Responsible Alcohol Management Program" (RAMP) Certified, must serve the alcoholic beverages.

If the only alcoholic beverage being served is wine during a meal, or if 20 people or less are attending, no bartender is required, but the host is responsible for any liability arising from the provision of alcoholic beverages at the event.

To obtain training, or to secure a TIPS-certified bartender for an event, areas may contact Penn State Hospitality Services, an authorized TIPS trainer. The Pennsylvania Restaurant Association provides TIPS training, and provides discounts on the price of training given Penn State's membership in that organization. Penn State will not reimburse for the cost of TIPS training, except for those employees where it is a job requirement. Costs for bartending services must also be charged to unrestricted donor funds.

Goal:

When alcohol is involved the potential for liability is greatly increased. These policies are in place to help manage this liability and minimize the risks to the University community.

- When an outside caterer is used to serve alcohol their liquor liability insurance allows the University to transfer the risk to the caterer.
- When the University hires a certified bartender to serve alcohol the University's liquor liability insurance is in effect, but the bartender's certification is another method to manage potential risks.
- Approval for when students are to be in attendance at a University event where alcohol is present is intended to give adequate review to determine if it is appropriate.

Scenarios:

Scenario #1

In this scenario the University is holding an event at a facility off-campus that does not serve alcohol as part of their catering service and there are 20 or more people in attendance. In this case if alcohol is served it must be served by a RAMP or TIPS certified bartender (with a current certification).

This certified bartender does not need to have liquor liability insurance, but must be paid by or be an employee of the University when providing bartender services. In other words the certified bartender is not able to volunteer their services or must be an employee of the University.

In this scenario the University's liquor liability insurance covers the event.

Scenario #2

In the scenario that the University is at a facility off-campus and there are less than 20 people OR only wine is being served with dinner then the University is not required to have a certified bartender, but the host is responsible for any liability arising from the provision of alcoholic beverages at the event.

This means the "employee" in charge of the event would be personally responsible for anything that happens as a result of alcohol being at that event and if the employee does not want this responsibility they would only have two options: 1) get a certified bartender or 2) not serve alcohol.

Questions:

Contact the Risk Management Office at 865-6307.