

NORTHERN PLAINS AREA
Policy Memorandum

DATE: February 15, 2002
SUBJECT: MEALS, FOOD OR REFRESHMENTS AT AGENCY OR NON-AGENCY EVENTS
NUMBER: PM-02-001
EFFECTIVE DATE: Immediately Until Replaced or Superseded

Purpose

This PM provides guidance regarding financing and payment of meals, food, and refreshments from appropriated Agency funds. It describes when and under what conditions meals, food or refreshments can be provided at a variety of ARS and non-ARS sponsored events. There are three discreet situations:

- 1) Federal employees in or around their official duty stations
- 2) Federal employees on official travel status
- 3) Non-Federal participants on invitational travel

Information

The Federal Regulations and Comptroller General Decisions on providing meals, food, and refreshments at Government expense are very strict and are based on consideration of the legal and appropriate use of taxpayer funds, as well as ethical considerations. There is no "one size fits all" rule regarding this subject. Each determination of reimbursement or providing meals or refreshments must be handled on a case-by-case basis.

Approving officials must ensure that meals, food, or refreshments provided within the guidelines of this document are modest and only what is "minimally required" to support the particular event. Adequate documentation supporting the event should be maintained and available for audit or other external review. Failure to comply with existing regulatory

guidance or creative interpretations of policy could result in embarrassment to the Agency and loss of credibility with the Congress and the public.

It is Agency policy that all meals, food, or refreshments, other than those exceptions contained herein, be considered an expense of the individual while in and around their duty station and/or while in an official travel status. Agency appropriated funds will not be used to finance the cost of alcoholic beverages under any conditions.

The cost for meals, food, or refreshments, other than those exceptions contained herein, will not be charged to Agency appropriated funds nor will requests for such functions be processed through the Agency's accounting or procurement systems.

1. Providing meals or refreshments to Federal employees, at Government expense, in or around their duty stations.

Appropriated funds will not be used to finance or reimburse meals or refreshments for employees in and around their duty stations except under the exceptional conditions that follow. Research Leaders may authorize payment in the following situations.

The exceptional conditions and specific prohibitions are:

Award Ceremonies

Refreshments may be provided to participants at Location sanctioned awards functions. At least 50 percent of the function must be dedicated to the award ceremony.

Designating an event as an "Awards Ceremony" for the purpose of providing food, or refreshments is not authorized.

Training

Although training may take many forms, for purposes of this policy, training will be defined as a formal, planned, and structured course of instruction required by the employee in the performance of their official duties that is conducted through a school, institute, or other comparable Government or non-Government training facility or conducted in-house through the use of professional, contract-hire instructors or trainers.

It is Agency policy that training costs directly associated with a formal, structured course of instruction may be paid for from available operating appropriations. Relevant expenses may include the costs of tuition, books, supplies, travel, and other costs directly related to the training. Under this policy concept, reimbursement for, or the payment of, food, refreshment, or meal costs as an expense necessary for achieving the objectives of the training session only when **all** of the following four conditions are met:

- 1) the meals or refreshments are incidental to the training session. Training which lasts no longer than the duration of the meal or only a short time before or after, would not qualify.
- 2) attendance at the meal or providing refreshments is necessary for full participation in the event or activities;
- 3) trainees are not free to take meals or obtain refreshments elsewhere without being absent from the essential discussions, lectures, speeches, or activities concerning the essential purposes of the training; and,
- 4) the meal or refreshments are part of the training event's activities; substantial functions are being conducted and the meal or refreshments are taken during that time.

Designating an event as "training" in order to provide meals or refreshments is not authorized. Meetings where the primary participants are Federal employees organized to discuss or instruct persons on matters of Government policy, topics, suggestions, issues, or problems is **not** training for the purposes of this policy . Although this type of event is both informative, beneficial, and often provides some aspects of "training" for employees, it should not be misconstrued as formal training for purposes of providing meals, food, or refreshments.

Cultural Awareness Programs

The costs of providing small "samples" of ethnic foods may be authorized during a formal ethnic awareness program and may be paid for from the Agency's operating appropriations. The primary intent must be to increase employee awareness of, and appreciation for, the cultural heritage being celebrated. The samples must be distinguished from meals or refreshments which are **not** authorized for such an event.

Formal Meetings and Conferences

Formal meetings and conferences, for purposes of this guidance, are clearly distinguished from **internal** Agency or other intra-Government **business meeting and conferences** in that they are generally sponsored or cosponsored by outside, non-Federal organizations and attendance and participation at the meeting or conference is mutually beneficial to both the Federal and non-Federal entities. The majority of participants are generally non-Federal employees. This type of meeting or conference often has a registration fee that may include the cost of a meal or refreshments.

In some situations, ARS may be the sole host of such a conference or meeting. Examples of this could include hosting a conference where the majority of attendees invited are non-

Federal collaborators or other non-Federal participants invited to discuss national or international priorities of a mutually beneficial nature.

The payment of meals, food, or refreshments as an expense necessary to the formal meeting or conference may be approved only when **all** of the following four conditions are met:

- 1) the meals or refreshments are incidental to the meeting or conference;
- 2) attendance at the meal or providing refreshment is necessary for full participation in the meeting or conference;
- 3) participants are not free to take meals or obtain refreshment elsewhere without being absent from the essential discussions, lectures, speeches, or activities concerning the essential purposes of the conference or meeting; and,
- 4) the meal or refreshment is part of the formal event's activities, substantial meeting or conference functions are being conducted, and the meals or refreshments are consumed during that time.

Research Conferences and Symposiums Funded by Grant Award

ARS occasionally provides partial funding through grant awards in support of research conferences and symposiums which compliment ARS in-house research programs. The rules governing the costs of meals, food, and refreshments (including travel expenses) under a grant award are subject to applicable OMB cost principles and generally include the following provisions:

- 1) meals, food, and refreshments (including travel expenses) are an allowable cost allocable to the grant award in performance of the conference or symposium when prior approval is provided by ARS;
- 2) to the extent that such costs are identifiable to a specific object class (budget cost objective) they will be charged to that object class; and,
- 3) grant funds will not be used to pay the travel costs or meals, food and refreshments for Federal employees or employees of the grantee.

Ground Breaking and Building Dedication Ceremonies

Expenses incidental to building dedication ceremonies, ground breaking, and laying of cornerstones in connection with the construction of an Agency facility should be properly chargeable to the appropriation used to finance the construction of the building or facility.

Payment for light refreshments at these traditional ceremonies is chargeable to the Building and Facilities appropriation financing the building construction. Meals including luncheons, buffets, dinners, or comparable catered events are **not** authorized. Annual operating appropriations should not be used to finance the preceding traditional ceremony expenses for buildings financed under the Buildings and Facilities appropriation. Amounts financed are always subject to fund availability of the appropriation.

In unique situations, a traditional ceremony may accompany a major modernization or renovation project financed with other than Buildings and Facilities appropriated funding; e.g., repair and maintenance, and operating funds. In those unique situations, available operating funds, citing the fiscal year that the traditional ceremony occurs, may be used to finance the cost of the traditional ceremony which may include light refreshments. Prior year funds will not be used to finance costs of traditional ceremonies.

Special Note: It is acceptable to encourage and/or share traditional ceremony costs with interested cooperators, trade associations, or other non-Federal entities that have a mutual interest in participating in the Agency's ceremony.

Inter/Intra-Agency Business Meetings, Conferences, or Similar Events

Agency funds may not be used to pay for refreshments and meal expenses for meetings, conferences, or any other event where the majority of attendees are Federal employees in and around their duty station and the purpose of the function is to discuss day-to-day business, planning, or other Agency or Federal policy matters.

Informational Activities

Agency funds may not be used to pay for refreshments and meal expenses for informational activities, e.g., Open Houses, Farm Day, Tour Day, Research Field Day, and other educational events intended to educate the public and/or private industry.

If another organization co-sponsoring an informational event, or a third party not-for-profit entity participating in the event, chooses to provide meals or refreshments, all attendees can may participate. Federal employees may not solicit money from third parties in order to provide refreshments or meals, but must rely upon the co-sponsor or third party to purchase and provide refreshments for these events.

2. Providing meals or refreshments, at Government expense, for Federal employees in an official travel status and authorized per diem.

Meals

Federal employees on official travel may be authorized a per diem allowance as part of

their official travel expenses. The per diem allowance is provided to cover the cost of meals, and incidental expenses while on official duty away from their duty stations.

Individuals on official travel and authorized per diem who are provided a meal at Government expense (e.g., in conjunction with an Agency awards luncheon or training, and which is included in a prepaid conference or registration fee, etc.) must reduce their per diem rate or final travel claim accordingly for all meals received.

The cost of meals at inter/intra-Agency business activities, or securing meals by advance payment, should be handled through direct remittance to the hotel, restaurant, or caterer by the individuals attending the event; or other informal means developed by the sponsoring organization or event coordinator. Agency appropriated resources will not be used to finance or secure meals to be provided at inter/intra-Agency business events, nor should requests for such events be processed through Government accounting or procurement systems.

EXCEPTION:

There is one exception to the preceding policy regarding meals provided at inter/intra-Agency business activities. Meals (not refreshments) may be provided through contractual arrangements through a lodging establishment, restaurant, or caterer when:

1. the meeting site is in a remote location and there are no other adequate facilities for meals in a reasonable commuting area; and,
2. the cost of the meals provided does not exceed a per person/per meal cost of what would otherwise be permitted through applicable per diem rates.

Under this exception all persons on official travel and per diem must be instructed to reduce their final travel vouchers for meals provided at Government expense. Any persons in and around their duty stations or not on official travel will reimburse the lodging establishment, restaurant or caterer directly for meals provided.

Light Refreshments

Agencies sponsoring a conference may provide light refreshments to agency employees attending an official conference. Light refreshments for morning, afternoon or evening breaks are defined to include, but not be limited to, coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins." No deduction of the per diem allowance is required when light refreshments are provided at nominal or no cost to the government or are included in a registration fee.

A conference has been defined, for purposes of the GSA ruling, as: "A meeting, retreat, seminar, symposium or event that involves attendee travel. The term "conference" also

applies to training activities that are considered to be conferences under 5 C.F.R. 410.404.”

(NOTE: The CFR defines “training activities” as conferences when the conference is announced as educational or instructional; more than half the time is scheduled for a planned organized exchange of information between presenters and audience; it is germane to improving individual or organizational performance; and benefits will be derived from employee attendance).

Refreshments may **not** be provided at routine or regularly scheduled Agency business meetings in and around the duty station. Additionally, light refreshments are not authorized, under the conference criteria, at functions where the majority of persons attending are not in an official government travel status (temporary duty, local and/or Invitational travel). Examples of “conferences” where refreshments may be provided include leadership meetings; orientation meetings; National Program and Technical Research Planning Workshops; symposia; conferences; and offsite training retreats. All of these meetings must meet the criterion that the majority of principals are in an official travel status.

Examples of Agency “conferences” where refreshments may not be provided include Operations Staff meetings; mini-staff meetings; other unit staff meetings; local program reviews; and conferences not meeting the travel status criterion.

Designating a general business meeting as a conference for the purpose of providing refreshments is not authorized.

Research Leaders have authority to approve expenditures authorized under the above criteria.

3. Invitational travel for Non-Federal persons

Generally, non-Federal participants at Federal events may not be provided meals or refreshments at Government expense. However, under certain circumstances, non-Federal persons may be placed on temporary duty travel, and receive travel and per diem allowances. Travel for invited non-Federal persons is referred to as invitational travel.

Invitational travel authorizations enable non-Federal persons to receive allowances for meals, food, transportation, and miscellaneous expenses. The invitational travel authorizations are governed by the same regulations, reimbursement, and allowance thresholds as those for Federal employees on official travel. Approving officials may choose to limit or restrict certain portions of the travel expenses or reimbursement as they deem appropriate.

Invitational travel may be issued to:

- Individual(s) serving intermittently in the Government service as an expert or consultant who provide a **direct service** to the Government by making a presentation or advising in an area of expertise.
- Non-Federal award recipients, spouses of awardees, and attendants of handicapped award recipients. (Per Departmental Regulation, Invitational Travel Authorizations for this purpose require concurrence of the Agency Head.)
- Guest instructors or speakers for conducting training courses or participating in cultural awareness events.
- Congressional committee members and staff conducting reviews of Agency programs and facilities.

Supplemental guidance regarding the preparation of invitational travel and for cost sharing or distribution of conference/meeting charges is provided as follows:

Invitational Travel Procedures for Non-Federal Persons

Use of AD-202 (Travel Authorizations) is an appropriate vehicle to finance the cost of meals, transportation, and other expenses of non-Federal employees under invitational travel.

Approving officials may issue either an individual or multiple (group) Form AD-202 to non-Federal participants covered under invitational travel. The AD-202 will identify all expenditures authorized at the discretion of the approving official.

Non-Federal participants on invitational travel must reduce their per diem allowance claims by the amounts specified in the regulations for each meal furnished to them.

Invitational travel authorizations may also be issued where reimbursement is considered "in-kind" and no voucher will be filed. For example, the invitational travel authorization may state that either breakfast, lunch, or dinner will be provided as "in-kind" reimbursement at ARS expense. (Meals may only be provided consistent with the exceptional situations contained in this guidance.) This would be an acceptable means of providing a meal(s) where no other reimbursement is authorized. For audit purposes, all invitational travel orders issued should contain a statement citing the specific purpose of the invitational travel and the service to be performed as a benefit to the Government; e.g., deliver a speech, provide expert advice, etc.

Cost Sharing of Conference/Meeting Charges

On occasion, sponsors of events such as meetings, conferences, training, etc., desire to host the event but share the cost of the event with multiple participants; e.g., other ARS Areas/locations, USDA agencies, and other Federal agencies.

ARS has no authority to formally establish, collect, and deposit registration or other fees from attendees for the purpose of cost sharing the event, however the following methods of collection may be used, provided there is a prior understanding between all parties that the costs will be shared.

The appropriate methods are:

- Use of a B2 thru FFIS to transfer costs within ARS
- Use of form AD-673 (Request To Bill) to transfer costs between USDA agencies
- Use of a reimbursable order under the Economy Act to transfer costs and charge other Government agencies

The practice of collecting, depositing, and processing registration fees through the official accounting system to offset the cost of conferences or meetings is not authorized.



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