

Reclamation Manual

Directives and Standards

Subject: Purchase of Entertainment

Purpose: The benefit of this Directive and Standard is to clarify the process for approval and purchase of entertainment.

Authority: 5 U.S.C. 4109, 4110, 4503, 5703; 41 CFR 301-74; Federal Travel Regulation (FTR) 301-11.18; GAO-04-261SP, Appropriations Law—Vol. I, Chapter 4, Sect. C, Part 5; Office of Personnel Management (OPM) Training Policy Handbook; Department of the Interior (Department) Financial Administration Memorandum (FAM) 2001-11; Reclamation Manual Directive and Standard, *Approval of Bureau of Reclamationwide Conferences and Meetings of Standing Work Groups* (ADM 04-01)

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1. Scope.

- A. This Directive and Standard applies to the purchase of entertainment with appropriated funds which may not be used to furnish free meals, snacks or refreshments unless specifically authorized by statute. Absent statutory authority, appropriated funds are not available to feed government employees at their duty station. The Comptroller General (CG) has identified other authorities that, in certain circumstances, permit the use of appropriated funds to pay for meals and light refreshments. The term “entertainment” is used by the CG as an “umbrella” term that includes: food and drink, either as formal meals or as snacks or refreshments; receptions, banquets, and the like; music, live or recorded; live artistic performances; and recreational facilities. See [GAO-04-261SP, Appropriations Law—Vol. I, Chapter 4, Section C, Part 5](#).
- B. This Directive and Standard applies to all Reclamation functional areas and includes conferences, training, ceremonies (including employee appreciation functions), internal business meetings, and cultural events.

2. **Conferences.** When planning conferences or for information on issues regarding conference attendance, refer to [41 CFR 301](#), [FTR 301-11.18](#), and [the Department FAM 2001-11](#). Reclamation defines conferences in Reclamation Manual Directive and Standard, *Approval of Bureau of Reclamationwide Conferences and Meetings of Standing Work Groups* ([ADM 04-01](#)).

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- A. **Government-Sponsored Conferences and Meetings.** Conferences or meetings must be approved as outlined in *Approval of Bureau of Reclamationwide Conferences and Meetings of Standing Work Groups* ([ADM 04-01](#)). Appropriated funds may be used to purchase food at government-sponsored meetings and conferences that are not routine and involve topical matters of general interest that might appeal to governmental and nongovernmental participants. It does not apply to day-to-day routine agency-sponsored meetings involving discussions of internal procedures or operations.
- (1) **Light refreshments** include but are not limited to coffee, tea, milk, juice, soft drinks, pastries, bagels, fruit, pretzels, cookies, chips, or muffins. Light refreshments are intended to be a refresher, not a meal. The Department policy for providing light refreshments at conferences includes the following requirements:
- (a) Attendees must be only government employees (except for a small number of non-Federal participants invited by Reclamation to attend as speakers or to otherwise actively participate). Refreshments may not be provided to contractors unless they are attending in an official capacity. Refreshments may be provided to non-Federal participants if the cost of providing the refreshments is fully recovered (i.e., by registration fee) and, if appropriate, returned to Treasury as miscellaneous receipts.
 - (b) There must be at least 30 attendees at the conference.
 - (c) A majority of the Federal attendees are in a travel status. If the conference otherwise qualifies for light refreshments, they are to be provided to all attendees without charge.
 - (d) The maximum amount spent for light refreshments may not exceed 30 percent of the Meals and Incidental Expense (M&IE) rate per day for each attendee.
 - (e) Purchase of approved refreshments may be made by government charge card if within the cardholder's single purchase limit; otherwise a purchase order must be issued by a contracting officer.
- (2) **Meals** may be paid for by the government if:
- (a) The meals are incidental to the conference or meeting.
 - (b) Attendance of the employee at the meals is necessary for full participation in the business of the conference. A meeting that lasts no longer than the meal during which it is conducted does not qualify.

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- (c) The employee is not free to take the meals elsewhere without being absent from essential discussions, lectures, or speeches concerning the purpose. In this case, the employee will not be reimbursed for purchasing alternate meals.

B. Non-Government Sponsored Conferences and Meetings. Just as the entertainment of government personnel is unauthorized, the entertainment of non-government personnel is equally impermissible, except as follows: appropriated funds may be used to purchase food for employees authorized to attend externally organized or sponsored formal meetings or conferences (including those held at official duty stations) that involve topical matters of general interest to governmental and nongovernmental participants ([5 U.S.C. 4110](#)). Factors listed in Paragraph 2.A.(2) apply. Note for conferences: when a meal is furnished at no cost to the employee or is included in a registration fee, individuals who are in travel status must appropriately reduce their M&IE per diem reimbursement rate.

C. Documentation Required.

- (1) Any hotel contract for conferences that includes refreshments and/or sleeping rooms or requires the acceptance of contractual terms and conditions must be reviewed and signed by a contracting officer and may be paid by government charge card if within the cardholder's single purchase limit ([Reclamation's PURLBOOK](#)). The minimum documentation to support furnishing refreshments is:
 - (a) A copy of the approval to hold the conference;
 - (b) Completed Form 7-2575, *Determination of Proper Authority for Purchase of Entertainment* (Appendix A), indicating that providing refreshments and/or meals was prudent per the items outlined in Paragraphs 2.A.(1) and 2.A.(2); and
 - (c) An attendance log with the name and duty station of each attendee.
- (2) Completed Form 7-2575 shall be attached to the charge card holder's bank statement and/or the contracting officer's contract file.

3. Training.

- A. Under the Government Employees Training Act ([5 U.S.C. 4109](#)), an agency may pay for necessary expenses incidental to an authorized training program and can, therefore, provide meals or refreshments under this authority if the agency determines that the providing of meals or refreshments are necessary to achieve the objectives of the training program. The following extraordinary circumstances apply:

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- (1) The training must have unique objectives resulting from the design of the training which require maximum interaction and communication among participants, including during meals.
 - (2) The meals or refreshments will be served during working sessions at which problem assignments are discussed or speakers are heard.
 - (a) It is not feasible to excuse participants for meals outside the training environment.
 - (b) Refreshments will not be provided at a preliminary social gathering or during breaks to merely facilitate social interaction or to improve the on-time attendance of participants unless the training is approved as a conference governed by the previously mentioned Department and Reclamation requirements. Note, as with conferences, when a meal is furnished at no cost to the employee or is included in a registration fee, individuals who are in travel status must appropriately reduce their M&IE per diem reimbursement rate. See the Government Employees Training Act cited in Paragraph 3.
 - (3) A single fee is charged for the conference/training, which covers both attendance and meals.
- B. For further information pertaining to training, refer to the [OPM Training Policy Handbook](#).
- C. **Documentation required.** Any hotel contract for training that includes refreshments and/or sleeping rooms or requires the acceptance of contractual terms and conditions must be reviewed and signed by a contracting officer and may be paid by government charge card if within the cardholder's single purchase limit. See [5 U.S.C. 4109](#). Also required is a completed Form 7-2575 (Appendix A), including a determination that providing refreshments and/or meals was prudent as outlined in Paragraphs 3.A., B., and/or C. The documentation shall contain evidence of review and concurrence by the servicing personnel office that the food for the training is an appropriate expense as outlined in the Government Employees Training Act. Completed Form 7-2575 shall be attached to the charge card holder's bank statement and/or the contracting officer's contract file.
4. **Ceremonies.** Agencies are permitted to incur necessary expenses for the honorary recognition of Federal employees under established agency awards programs. See [5 U.S.C. 4503, Agency Awards](#), CG Decision B-223319 [Refreshments at Awards Ceremony](#), and CG Decision B-288536 [Bureau of Indian Affairs Great Plains Regional Office Incentive Awards Ceremony](#). The Government Employees' Incentive Awards Act does not authorize refreshments "in connection with an event or function designed to achieve other objectives simply because the agency distributes awards as part of the event

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or function.” The purpose of authorized refreshments is to “facilitate public recognition of awards recipients.” Per [CG Decision B-247563.4](#), when circumstances indicate that awards are incidental to an unrelated social or recreational event and appear to be no more than a pretense, “there is no reception to an awards ceremony to which expenses for refreshments could be attributed.” In the case of functions to present years of service awards, expenditures will be subject to greater scrutiny than those made for other ceremonies.

- A. The Department has determined that “necessary expenses” may include the cost of light refreshments (see Paragraph 2.A.(1)) for a reception in connection with a ceremony honoring Federal employees, and the payment for such light refreshments may be made from appropriated funds. Reclamation offices are authorized to pay the necessary expenses of light refreshments to provide for a reception at which coworkers and friends may congratulate honor awards recipients.
 - B. This Directive and Standard is not intended to be limited to only Reclamation headquarters ceremonies and ceremonies where only Departmental Honor Awards are presented. It does include ceremonies in field offices where any honorary recognition through the incentive awards program is given to employees, and where the reception would materially enhance the effectiveness of the ceremony.
 - C. The quantity of refreshments must be commensurate with the scale of the ceremony and not so elaborate as to be potentially embarrassing to Reclamation.
 - D. **Documentation required.** A completed Form 7-2575 (Appendix A), including a determination that providing refreshments was prudent as outlined in Paragraphs 4.A., B., and C., is required. The documentation shall contain evidence of review and concurrence by the servicing personnel office that the refreshments for the ceremony are an appropriate expense as outlined in the Government Employees’ Incentive Awards Act. Completed Form 7-2575 shall be attached to the charge card holder’s bank statement and/or the contracting officer’s contract file.
5. **Internal Business Meetings.** The payment of meal or refreshment expenses in connection with internal business meetings and/or meetings sponsored by government agencies at which the majority of attendees are in the local commuting area is not an allowable expenditure. The presence of a mealtime speaker between meeting segments to discuss business, management, and day-to-day operations does not provide an adequate basis to treat the meeting as anything other than an internal business meeting.
6. **Cultural Events.** Appropriated funds may be used to purchase food for Equal Employment Opportunity (EEO) special emphasis or cultural awareness programs as part of a formal program determined to advance EEO objectives.

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- A. The food must consist of small samples of ethnic foods prepared and served during a formal EEO ethnic awareness program, with minimal portions provided as a separate event distinguished from meals or refreshments. See [CG Decision B-199387](#).
 - B. Meals for guest speakers at formal EEO ethnic awareness programs could be paid if speakers are away from their duty station ([5 U.S.C. 5703, Per diem, travel, and transportation expenses](#)).
 - C. It is possible that certain expenditures that would be inappropriate in other contexts could reasonably relate to the purpose of EEO objectives, including live artistic performances. See [CG Decision B-278805](#).
 - D. **Documentation Required.** A completed Form 7-2575 (Appendix A) is required. Completed Form 7-2575 shall be attached to the charge card holder's bank statement and/or the contracting officer's contract file.
7. **Related References** are provided for further clarification.
- A. Comptroller General Decision B-247563.4, December 11, 1996
 - B. Comptroller General Decision B-199387, August 22, 1980
 - C. Comptroller General Decision B-278805, July 21, 1999