

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

This guidance is for Purchase Cardholders and Approving Officials (AOs). The Research Education and Economics (REE) Purchase Card Program Agency Program Coordinator (APC), in cooperation with the Administrative and Financial Management (AFM), Financial Management Division (FMD) and Facilities Division (FD), Safety Health and Environmental Management Branch (SHEMB), is providing this guidance to make cardholders and AOs aware of the Agency Policy, Federal Laws, and Regulations regarding the purchase of refreshments and bottled water when using the Government purchase card or convenience checks. Please keep this for future reference. The Agency Policy, Federal Laws, and Regulations regarding the purchases of these items are the onus of the Financial Management and/or Safety and Health Manager. **If you have any questions regarding this guidance, contact your Budget and Fiscal Officer and/or Safety and Health Manger.**

The ARS Office of the Administrator established Agency policies on December 9, 1999, and amended them on March 27, and April 21, 2000, for financing and payment of meals, food, and refreshments from Agency appropriated funds. This policy is included and amended herein.

Purchasing Meals, Food and Refreshments

The Comptroller General prohibits the purchase of meals and refreshments absent specific authorities. The specific authorities that allow the purchase of food in the instances stated in the guidance are as follows:

Awards Ceremonies- Government Employees' Incentive Awards Act (5 U.S.C. § 4501–4506. 65 Comp. Gen. 738 (1986); B-271551, Mar. 4, 1997)

Training- Government Employees Training Act (5 U.S.C. § 4109)

Conferences- Expenses of attendance at meetings (5 U.S.C. § 4110 and 66 Comp Gen 350)

Cultural Awareness Programs- (60 Comp. Gen. 303 and B-199387, Mar. 23, 1982)

Research Conferences and Symposiums Funded by Grant Award- (Principles of Appropriations Law 4-50 and 31 U.S.C. § 1345)

It is Agency policy that all meals, food, or refreshments for any event, 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. **Additionally, Agency appropriated funds will not be used to finance the cost of alcoholic beverages under any conditions.**

The cost or the advance deposit for meals or refreshments for any event, other than those exceptions contained herein, will not be considered a necessary expense or bona fide need and will not be charged to Agency appropriated funds nor will requests for such functions be processed through the Agency's accounting or procurement systems.

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

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

It will be Agency policy that 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.

Award Ceremonies

The purpose of an “Awards Ceremony” is to allow agencies to recognize employees for meritorious performance, accomplishments, or other significant contributions and enable other employees to honor and congratulate their colleagues.

Agency delegated approving officials¹ may authorize refreshments, foods, or meals at significant Agency or comparable Area/location sanctioned awards functions. At least 50 percent of the function must be dedicated to the award ceremony. Examples of this may include, but are not limited to, Scientist of the Year, Annual Awards Recognition, or other comparable events of a significant nature.

Merely referring to an event as an “Awards Ceremony” for the purpose of providing meals, food, or refreshments is not authorized.

Training

Although training may take many forms, **for purposes of this guidance**, 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-hired 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, delegated officials may approve reimbursement for, or the payment of food, refreshment, or meal costs as an expense necessary for achieving the objectives of the training sessions **only** when the following four conditions are met:

¹ In the December 9, 1999, memoranda, the ARS Administrator delegated this authority in writing to the Area Directors, Deputy Administrators, and the National Agricultural Library Director. These individuals may, in turn, re-delegate this authority in writing at their discretion.

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

- 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 thereafter, would not qualify;
- 2) attendance at the meal or providing refreshments is necessary for full participation in the event or activities,
- 3) the employee is 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 meals or refreshments are part of the formal event's activities, substantial functions are being conducted, and the meal or refreshments are taken during that time.

Merely calling or referring to an event as training in order to provide meals or refreshments is not authorized.

For purposes of this guidance, **training is not** the Agency's or intra-Government business meetings where the primary participants are Federal employees organized to discuss or instruct persons on matters of Government policy, topics, suggestions, issues, or problems. 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 will be to increase employee awareness of, and appreciation for, the cultural heritage being celebrated. The samples must be distinguished from meals or refreshments which remain unauthorized 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.

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

In unique situations, ARS or another USDA agency may be the sole host of such a conference or meeting. Examples of this could include a USDA agency 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.

Delegated officials may approve the payment of meals, food, or refreshments as an expense necessary to the formal meeting or conference **only** when 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) the employee is 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 meals or refreshments are 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.

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

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.

Agency funds cannot be used to purchase refreshments at these traditional ceremonies. Additionally, meals including luncheons, buffets, dinners, or comparable catered events are not authorized. Cost of food and entertainment provided for these events maybe chargeable to Reception and Representation Funds when available. REE does not have Reception and Representation Funds, but USDA does. Use of these funds must be approved by the Secretary of Agriculture, therefore; it is requested only in very unique circumstances.

For more information on Ground Breaking expenses, contact the AFM, FMD.

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

These events are defined as meetings, conferences, or any other event where the majority of attendees are Federal employees and the purpose of the function is to discuss day-to-day business, planning, or other Agency or Federal policy matters.

It is Agency policy not to pay for refreshments and meal expenses for such events.

Informational Activities (i.e., Open Houses, Farm Day, Tour Day, Research Field Day, and other educational events to educate the public and private industry).

It is Agency policy not to pay for refreshments and meal expenses for informational activities. If another organization cosponsoring an informational event, or a third party not-for-profit entity participating in the event chooses to provide refreshments, all attendees can partake of the refreshments.

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

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 lodging, 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.), will reduce their per diem rate or final travel claim accordingly for all meals received.

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

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 (i.e., the purchase card).**

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 reduce their final travel vouchers for meals provided at Government expense. Any person in and around their duty stations, or not on official travel, will reimburse the lodging establishment, restaurant, or caterer directly for meals provided.

Section 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.

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

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).
- Spouse or family members of a Federal employee who attend security training by the State Department, prior to permanent duty assignments overseas.
- 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.

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 by the Government.

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 Authorization) 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).

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

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.

Cardholders must document their purchase files accordingly with the appropriate approval documentation to support the purchase of meals, food, or refreshments. Failure to properly document these purchases is considered a policy violation, and can result in the loss of purchase card privileges.

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

Purchasing Bottled Water or Renting Drinking Water Filtration Systems

The General Accounting Office (GAO) Redbook page 4-119 footnote states that, “By way of contrast, it has long been conceded that drinking water is a necessity. See 22 Comp. Dec. 31 (1915); 21 Comp. Dec. 739 (1915). However, an agency may not use appropriated funds for bottled drinking water for the use of employees where the public water supply of the locality is safe for drinking purposes. 17 Comp. Gen. 698 (1938).”

If a location has an employee break room and/or kitchen facilities where potable public water is available, or has public drinking fountains, appropriated funds may not be used to purchase bottled water or to rent drinking water filtration systems. Locations that still want to purchase bottled water or drinking water filtration systems should establish a “water club” to cover such costs. However, if there is a question regarding the potability of the public water supply, the water should be tested by a credible laboratory. Once the public water supply is tested and documented not to be potable, bottled water or the rental of a water filtration system using appropriated funds is deemed proper.

If a location does not have an employee break room and/or kitchen facilities where potable public water is available, or does not have public drinking fountains, then consideration can be given to purchase bottled water or to rent drinking water filtration systems. According to the Occupational Safety and Health Administration (OSHA), (29 CFR 1910.141(g)(2), “Eating and drinking areas. No employee shall be allowed to consume food or beverage in a toilet room nor in any area exposed to a toxic material.” Your Safety and Health Manager or Environmental Protection Specialist must determine and document that there is not a safe public water supply, and there is a high probability that workers could get exposed via cross-contamination from the public water supply at the location. Once the public water supply is documented not to be potable, bottled water or the rental of a water filtration system using appropriated funds is deemed proper.

Locations should compare the cost of installing drinking fountains with the reoccurring costs of purchasing bottled water, and/or the cost of renting drinking water filtration systems.

Furthermore, bottled water should only be offered in the instances to accompany meals, or refreshments and at sites where there is no potable water.

Cardholders must document their purchase files accordingly with the appropriate approval documentation to support the purchase of bottled water or the rental of drinking water filtration systems. Failure to properly document these purchases is considered a policy violation, and can result in the loss of purchase card privileges.

Purchasing Refreshments and Bottled Water with the Purchase Card or Convenience Checks

In Summary

Cardholders and AO's are expected to use their best judgment and common sense. Failure to comply with existing regulatory guidance, or the creative interpretations of the policy, not only may result in the loss of purchase card privileges, but also could cause embarrassment to the Agency and loss of credibility with Congress and the public.