



APR 3 2006

**ITA Accounting Memorandum 2006 - 07**

**MEMORANDUM FOR:** International Trade Administration  
**FROM:** Leslie Hyland, Director of Accounting and Financial Systems  
**SUBJECT:** Interim Guidance Concerning the Use of Appropriated Funds for Food at Government-Sponsored Conferences

The Government Accountability Office (GAO) has opined<sup>1</sup> that appropriated funds may be used to pay for refreshments or meals for attendees – whether federal employees or private citizens – at a formal conference sponsored by a federal agency under certain circumstances. In general, such expenditures are reasonable and legitimate if the following three criteria are met:

- Meals and refreshments must be incidental to the conference;
- Attendance when meals or refreshments are served is important for the host agency to ensure full participation in discussions, lectures, or speeches that are essential to the conference; and
- The conference includes substantial activities or functions in addition to those activities involving food.

A formal conference must involve topical matters of interest to and the participation of multiple agencies or nongovernmental participants. For this purpose, participation means that representatives from these entities attend the conference.

A formal conference must include, at a minimum:

- Registration;
- A published, substantive agenda; and
- Scheduled speakers or discussion panels.

Light refreshments for morning, afternoon, and evening breaks are defined to include coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins. Formal conferences should be scheduled for at least a full day in order to serve meals and at least ½ day in order to serve light refreshments.

It is important to bear in mind the distinction between the use of appropriated funds for food at formal conferences and:

<sup>1</sup> GAO Decision B-300826, March 3, 2005



- Overseas Representation Funds appropriated by Congress specifically for official overseas entertainment;; and
- Official Entertainment Funds which are non-appropriated funds collected by ITA through fees from the sale of products and services under the authority of the Mutual Educational and Cultural Exchange Act of 1961.

The GAO decision has no effect on Department of Commerce policy regarding Overseas Representation Funds and Official Entertainment Funds nor does the decision allow the use of appropriated funds to replace or supplement representation or entertainment funds.

All requests for the use of appropriated funds for food at government-sponsored conferences should be in the form of a memorandum signed by the Deputy Assistant Secretary. Memoranda should be addressed to the ITA Chief Financial Officer and Director of Administration and prepared in accordance with the attached instructions. Memoranda should be delivered to Roxanna Allen, ITA Office of Financial Management, Room 4112, HCHB.

If you have any questions, or require additional information, please contact me on 202-482-5434 or at [Leslie.Hyland@mail.doc.gov](mailto:Leslie.Hyland@mail.doc.gov).

Attachment

Cleared:



Jim Donahue, Acting Chief Financial Officer

## How to Request the Use of Appropriated Funds for Food at Government Sponsored Conferences

1. Request should be in the form of a memorandum initiated by the Program Area Resource Manager and signed by the Deputy Assistant Secretary addressed to the ITA Chief Financial Officer and the Director of Administration.
2. The memorandum should:
  - Demonstrate that meals and refreshments are incidental to the conference;
  - Explain why attendance when meals or refreshments are served is important to ensure full participation in discussions, lectures, or speeches that are essential to the conference;
  - Demonstrate that the conference includes substantial activities or functions in addition to those activities involving food; and
  - Include the estimated number and types of participants, e.g., government employees, private citizens, etc.
3. The following items should be attached to the memorandum:
  - Conference Registration Form;
  - Conference Agenda, including scheduled speakers and discussion panels and panelists.
4. Any additional information that demonstrates that the planned activity is a legitimate Government-sponsored conference.