

Conference Planning



NGB-JA
703-607-2705



CONFERENCE PLANNING



AGENDA

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Purpose

Provide the latest information regarding the fiscal and ethics rules relating to the planning of DoD conferences, including the collection of conference fees.



Common Issues

- Folks contracting for facilities without contracting shop
- Side arrangements with “no-cost” conference planners
- Set up unauthorized bank account to take money in and pay it out
- Soliciting from vendors
- Purpose violations



Basic Principle

"The established rule is that the expenditure of public funds is proper only when authorized by Congress, not that public funds may be expended unless prohibited by Congress." (United States v. MacCollom, 426 U.S. 317, 321 (1976)).



Food – General Rules

- Appropriated Funds may NOT be used to provide free food to government employees
- Government employees on travel orders are provided a per diem allowance designed to offset the cost of meals
- Ethics principles - good stewards of government resources.
- We are not the corporate world!!!
- Buy your own Starbuck's!





NASA IG-10-009

“We also found that the costs for food and beverages provided at the conferences were excessive and that NASA management could reduce conference costs for local attendees. For example, the light refreshment costs for one annual conference totaled \$62,611 or \$66 per day per attendee – more than the daily amount permitted for meals and incidental expenses in the conference city. The types of refreshments provided included soda, coffee, fruit, bagels, and cookies.”

NASA IG-10-009
23 March 2010



Food – Formal Conference

- Exception to the general rules: NIH
- May provide food and/or light refreshments at “formal conference” if the following three-part test is satisfied:



Food – Formal Conference

- Three-part test:
 - The meals and refreshments are part of a formal conference that includes not just the meals and refreshments and discussions, speeches, or other business that may take place when the meals and refreshments are served, but also includes substantial functions occurring separately from when the food is served
 - Meals and refreshments incidental to the conference
 - Attendance at the meals and when refreshments are provided is important for the host agency to ensure full participation in essential discussions, lectures, or speeches concerning the purpose of the conference



Food – Formal Conference

- Does not authorize payment of meals in connection with internal business meetings or conferences sponsored by government agencies primarily involved with day-to-day activities
 - No off-sites, no on-sites, no normal business
- Applies to formal conferences sponsored by, of general interest to, or also attended by non-government participants
 - OLC opinion differs



Food – Formal Conference

- Issues
 - Read the JFTR – “Continental breakfasts” are meals and must be reflected on travel voucher if paid for by the Government



Food – Formal Conference

- Exceptions - statutory authority
 - Recruiting events (10 USC 520c)
 - Freedom Salute (10 USC 2261)
 - Chaplain-led Marriage Enrichment (10 USC 1789)
 - GAO exceptions - purpose is not to feed (e.g., cultural demonstrations)





Army Policy

- HQDA Memorandum dated March 6, 2003
 - “The cost to the Government for light refreshments supplied by conference hosts is often disproportionate to the value received. All officers and employees should be good stewards of the Government’s resources.”
 - Sanity check
- Option: “sharing pizza in the office”



Conference Fees

Formal Conference

- Agency may use APF for necessary expenses of a formal conference
- What are “conference fees?”
 - Room rental
 - A/V costs
 - Light refreshments/meals
 - Speaker fees
 - Others
- Must use OWN funds for other expenses



Conference Fees

Formal Conference

- Issue: who pays expenses for conference?
 - Agency can afford--no problems
 - Agency can't afford and wants to share expenses
- Options
 - Fee collection
 - Training





Fee Collection - 10 USC 2262

- National Defense Authorization Act for FY07 authorized DoD to accept conference fees from any individual or commercial participant
- Fees can be credited to the appropriation or account from which the costs of the conference are paid.
- Excess collections deposited as miscellaneous receipts
- Reports required to Congress each year. The reports include costs to the department (including costs of conference planners), amounts collected, and projected conferences and costs



Fee Collection

- FMR, Volume 12, CH 32 establishes policy and procedures for fee collection and reporting
- Army and AF permit fee collection IAW the FMR
- Navy – require approval through Secretarial process
- Marines – “We don’t need no stinkin’ conference fees.”



Training

- “Training” Has specific definition
- Authorized to share costs
- Must be “government-to-government” transfer (MIPR, GPC)





Social Events

- No Authority to Expend Appropriated Funds for Social Events
 - May not be included in a reimbursable conference fee
 - May not be included in a contract
 - No reimbursement on travel voucher
 - May NOT be a mandatory fee
 - No difference if you call it “networking,” “familiarization,” it’s still a party. Especially if you’re serving booze



Social Events

- Narrow Exception for non-government sponsored event if meets the three part test
 - Fee must be mandatory
 - Social events must be included in fee
 - Social event must be non-separable from fee



Gifts and Tokens

- Appropriated funds may not be used for a personal expense
- Novelty items (calendars, tote bags, canvas binders) are not an authorized expense. *Expenditures by Department of VA Medical Center, Oklahoma City, OK, B-247563.3, April 5, 1996*



Honoraria

- Payment of fees limited to \$2000 for speakers, lecturers and panelists. DoD Policy Memo dated 3 April 2007
- Policy based on belief that DoD must assure that excessive fees are not paid
 - Excessive honorariums paid in the past
 - Payments evoke criticism from Congress, press and public
 - Inconsistent with policy to reduce costs throughout DOD



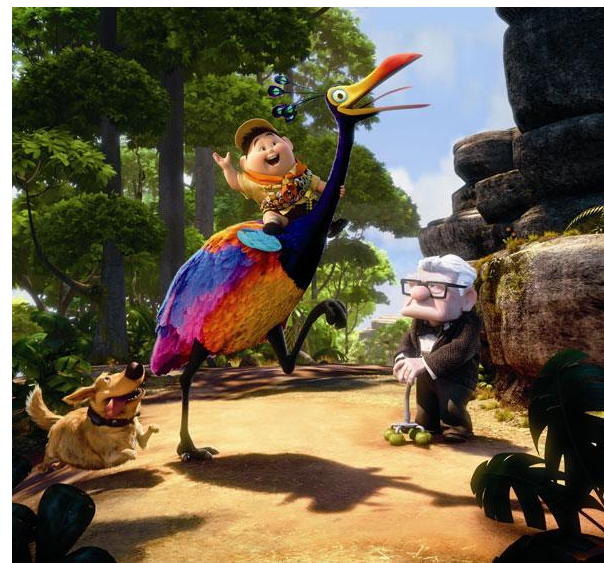
Honoraria

- Waivers must be approved by next higher echelon
 - Army – VCSA, DAS, or AASA
 - Air Force - AFI 65-601, vol 1, para 4.9
 - \$500-\$2000 – MAJCOM/DRU/FOA commanders
 - \$2000 or more – HQ USAF/CVA
 - See FMR, Volume 10 Ch 12, para 1208



“No Cost” Event Planners

- The GAO has opined that no-cost contracts with event planners are possible (B-308968, 27 November 2007)
- Consider the benefits vs headaches
- No-cost contracts are like “snipes”
- Gratuitous services agreements





Vendors

- Must determine whether vendors are required (necessary expense vs. bona fide need)
- Must pay for costs properly allocable to government
- Must be impartial in getting vendors to attend
- Conference fees
- Gift problems
- Solicitation





Reviewing Letters of Intent

- Improper Clauses included in standard hotel contracts
 - Indemnification Clauses
 - Cancellation Fees
- If food is included, review carefully
- Complimentary rooms and/or services
 - No authority to provide individuals a free room based on position
 - Use for benefit of entire conference
- May not obligate the government to any expenditure of funds unless signed by a contracting officer
- Staff the conference with your AQ prior to signing LOI



Conclusion

- Conference planning rules closely tied to fiscal law principles
- Remember Ethical considerations as well - stewardship of resources
- Execution of authority still in its infancy . . .