DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(FINANCIAL MANAGEMENT AND COMPTROLLER)
1000 NAVY PENTAGON
WASHINGTON, DC 20350-1000

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MEMORANDUM FOR DISTRIBUTION

Subj: CLARIFICATION OF USE OF APPROPRIATED FUNDS TO PROCURE LIGHT REFRESHMENTS

Ref: (a) CompGen Decision B-288266 of 27 Jan 03
(b) OASN(FM&C) Memo 7150 FMB-56 of 31 May 00
(c) JFTR U2550
(d) JTR C4950
(e) CompGen Decision B-223319 of 21 July 1986
(f) SECNAV Memos of 8 Jan 02
(g) OPNAVINST 5050.24F of 20 Jun 02
(h) Marine Corps Order 7300.22

By reference (a), the Comptroller General (CompGen) published a decision on the use of appropriated funds to pay for light refreshments at conferences, which supercedes the guidance provided in references (b) through (d). The decision states that the General Services Administration (GSA) does not have the authority to authorize agencies to use appropriated funds to pay for an employee's food and light refreshments, except as part of the employee's travel subsistence allowance for those who are in a travel status. While serving light refreshments to conference attendees might be a common business practice in private industry, the expenditure of public funds must be anchored in existing law, not the practices and conventions of the private sector. Effective immediately, appropriated funds are not authorized to pay for light refreshments at conferences.

The GAO decision does not change the rules for the use of appropriated funds to pay for food under other authorities, such as those relating to training (5 USC 4109 for civilians and 10 USC 2013 for uniformed personnel) under the circumstances discussed in reference (a), and receptions for awards made under the provisions of 5 USC 4503, as discussed in reference (e). Activities should be diligent in ensuring the authorities are not misused, as improper use of appropriated funds could lead to a potential Antideficiency Act violation. Also, because the GSA's Federal Travel Regulation (FTR) forms the basis for the guidance contained in references (c) and (d), it is important to ensure activities under your cognizance are expeditiously informed of this change.

Additionally, activities should ensure that DON conferences are officially approved consistent with the requirements delineated in references (f) through (h). Activities are reminded that, absent affirmative statutory authority, conference fees may not be collected and used to offset the cost of the conference or to reimburse or supplement the appropriation from which the conference is funded.

My point of contact is Mr. Louis P. Calabro, Jr., FMB-51, who can be reached on (703)693-6586, or by e-mail at calabro.louis@hq.navy.mil.

DIONEL M. AVILES
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(Financial Management and Comptroller)

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