

Guidelines on Use of Appropriated Funds for Official Courtesies

The following information is intended to provide an overview of the rules on use of appropriated funds in support of official visits to the SSC by important visitors. Application of the rules in this area is quite fact specific, and you should always consult with the legal office and RMD prior to spending money for such purposes.

Q: How can I use appropriated funds to purchase food, gifts, or entertainment for visiting VIPs?

A: It depends on the nature of the VIPs, the type of funds, and the availability of those funds. The starting point is that expenses of this nature are generally considered to be personal expenses, and not payable with appropriated funds. However, there are a number of limited exceptions to this rule that may be applicable when SSC or a tenant activity is hosting important visitors. The most likely approach would be to first consider whether Official Representation Funds (ORFs) are appropriate and available for the particular occasion. ORFs are primarily used for extending official courtesies to authorized guests.

Q: Who is an authorized guest?

A: The authority to invite such guests at SSC is limited to the Installation Commander. The regulation (AR 37-47) defines the types of individuals who are considered authorized guests. The definition includes:

- Foreign citizens whose rank, position, function, or stature justifies official entertainment
- Federal, state, county, and local government officials such as the President and VP of the U.S., Cabinet members, Members of Congress and their staff, state governors, and city mayors.
- National or regional dignitaries, prominent citizens of local communities who make a substantial contribution to the Nation or the Army, individuals who are recognized leaders in their fields of expertise.

Q: Can we use representation funds for the military or DoD civilians?

A: ORFs cannot be used for the entertainment of, or in honor of, DoD personnel including military members and civilian employees of DoD except as specifically authorized. There are exceptions for select senior DoD personnel such as the Secretary of Defense and DoD General Counsel. See AR 37-47 for a list of all “select senior DoD personnel.”

Q: What is an official courtesy?

A:

- Hosting of authorized guests to maintain the standing and prestige of the United States;
- Luncheons, dinners, and receptions at DoD events in honor of authorized guests;
- Entertainment of local authorized guests required to maintain civic or community relations;
- New commander receptions for local authorized guests;
- Entertainment of authorized guests incident to visits by U.S. vessels to foreign ports and foreign vessels to U.S. ports;
- Official functions in observance of foreign national holidays and similar occasions in foreign countries; and
- Dedication of facilities.

Q: If SSC is hosting a luncheon/dinner in honor of an authorized guest, can the total costs of the event be paid with ORFs?

A: Maybe, but there are limitations. In order to pay the costs of other attendees, a prescribed ratio of authorized guests to DoD personnel must be met or exceeded.

- For parties consisting of less than 30 individuals, at least 20% of the official guest list should consist of authorized guests and members of their party; a ratio of one authorized guest to four DoD personnel.
- For parties of more than 30 individuals, at least 50% of the official guest list should consist of authorized guests and members of their party, a ratio of one authorized guest to one DoD person.

Q: How much can I spend on a function?

A: Levels of expenditures are to be **modest**.

- You may consider the rank and position of the authorized guests when considering the amount of the expenditure.
- Commanders are encouraged to establish expense limits for various expenses they may incur.
- \$10,000 is the threshold per event. (i.e. an entire visit by an authorized guest can cost no more than \$10,000).
- Any expenditure above \$10,000 must receive approval from the Secretary of the Army.

Q: How much can I spend on a gift for an authorized guest?

A: Gifts, mementos, or tokens, can cost no more than \$260.
(This dollar figure is subject to change. You should consult DoD Directive 7250.13 prior to any such purchase).

Q: Are there any absolute prohibitions on using Representation Funds?

A: Yes, Representation Funds cannot be used for the following:

- Classified projects and intelligence projects;
- Entertainment of DoD personnel, except as specifically authorized by regulation;
- Membership fees and dues;
- Personal expenses (i.e., Christmas cards, calling cards, clothing, birthday gifts, etc.);
- Gifts and mementos an authorized guest wishes to present to another;
- Personal items (clothing, cigarettes, souvenirs);
- Guest telephone bills;
- Any portion of an event eligible for NAF funding, except for expenses of authorized guests; and
- Repair, maintenance, and renovation of DoD facilities.

Q: If use of ORFs is not allowable under these rules or ORFs are not available, can I use other kinds of appropriated funds to purchase food, gifts, or courtesies for VIPs?

A: Other appropriated funds may occasionally be used for food and entertainment purposes for VIPs who are government employees, subject to the guidelines below.

(A) Food

Generally, appropriated funds are *not* available to pay for government employees' **food or refreshments** within their official duty stations.

Q: Are there any exceptions?

A: Yes, there are exceptions for light refreshments, formal meetings and conferences, training, and award ceremonies.

Exceptions

- (1) Light Refreshments during a government-sponsored conference.

Q: What is considered a light refreshment?

A: Light refreshments for morning, afternoon or evening breaks are defined to include, but not be limited to, coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins.

Q: What is the definition of a government sponsored conference?

A “conference” is defined as a “meeting, retreat, seminar, symposium or . . . training activities that are conferences . . .” where **A majority (51%) of the attendees at the conference must be from a permanent duty station other than that of the sponsoring activity.**

2) Formal Meetings and Conferences (not internal meetings)

Q: When exactly can the government pay for meals during a meeting or conference?

A: The government may pay for **meals** while government employees are attending meetings or conferences if:

the meals are incidental to the meeting;
attendance of the employees at the meals is necessary for full participation in the meeting; and
the employees are not free to take meals elsewhere without being absent from the essential business of the meeting.

Q: Does this apply to civilians and military?

A: This provision applies only to civilian employees.

Q: When could meals be provided to military members?

A: Military members may be reimbursed for occasional meals within the local area of their Permanent Duty Station (PDS) when the military member is required to procure meals at personal expense outside limits of the PDS. (subject to provisions in JFTR ch. 4, paragraph U4510).

Q: Is there any authority to purchase meals for non-federal VIPs during a meeting or conference?

A: If the VIP is on Invitational Travel Orders provided by the agency, then appropriated funds may be used to pay the reasonable travel costs, including meals and lodging, for such individuals. However the above rules concerning civilian and military do not

otherwise provide a basis for paying for meals or other entertainment costs of VIPs who are not government employees.

(3) Training

Q: Are regularly held meetings considered training programs?

A: No, regularly scheduled meetings are not considered training. Additionally, an agency's characterization of a meeting as "training" is not controlling. (e.g., "quarterly managers' meetings" do not constitute "training").

Q: When can the government pay for meals during a training?

A: The government may provide meals if necessary to achieve the objectives of a training program. For example, this exception is often utilized to provide small "samples" of ethnic foods during an ethnic or cultural awareness program.

(4) Award Ceremonies.

Q: Can the government pay for light refreshments for civilian and military award programs?

A: Agencies may use appropriated funds to pay for refreshments incident to employee award ceremonies but this does not apply to the award of medals, trophies, badges, etc. to members/units of armed forces for accomplishments.

B. Entertainment.

Q: When is it appropriate to use appropriated funds for entertainment?

A: Appropriated funds are generally not available to pay for entertainment.

Q: Are there exceptions?

A: Yes, agencies may use appropriated funds to pay for entertainment (including food) in furtherance of equal opportunity training programs. (live musical performance generally entertainment; exception for agency EEO cultural and ethnic programs).

It is permissible to expend appropriated funds for entertainment if authorized by statute.