

TRAVEL MANUAL
August 9, 2001

ATTACHMENT J-2

AMENITIES

Under certain circumstances, amenities may be provided in the course of conducting business under ORAU's contract to operate ORISE. Amenities generally consist of snacks, food and non-alcoholic beverages. Amenities are provided in the form of continental breakfasts, morning and afternoon work breaks, and working lunches/dinners. Amenities are used to maximize the efficient use of individuals' time by encouraging punctual arrival, limiting absences, maintaining meeting focus, ensuring continuity of meetings or support activities, and allowing for better control of meeting agendas. Effective use of amenities can reduce the time required to complete business activities, and may result in overall cost savings by reducing per diem and lodging costs.

Determining whether the amenities provided are allowable costs under the provisions of ORAU's contract to operate ORISE is sometimes difficult and, therefore, such a determination should be made prior to providing amenities of any type. Directors are responsible for approving the provision of amenities. They are encouraged to seek guidance from the Office of General Counsel in making decisions as to the appropriateness of providing amenities in situations not covered by this guidance. Directors may delegate pre-approval of amenities to group or section managers. All invoices for business amenities must include proof of pre-approval by the director, group manager or section manager.

Generally, any cost incurred in support of ORISE activities, including the cost of amenities, is allowable if the costs are actually incurred by ORAU in performance of work in accordance with the terms of ORAU's contract, and are necessary and incidental to the contract work. The language of the DOE/ORAU contract specifies that allowability of costs will be based on the reasonableness of the costs. "Reasonableness" includes not incurring costs that are specifically identified in the contract as unallowable, using prudent business judgment, and consistently using generally accepted accounting principles and practices that result in equitable charges to the contract work.

Providing amenities at government expense for employees while at their permanent duty station or in the same geographic vicinity of their duty station will usually be considered unnecessary and unreasonable.

Amenities generally are considered necessary and reasonable when they are provided in the context of the following types of business activities:

Scientific proposal reviews. Technical experts are convened to provide expertise in reviewing and evaluating scientific proposals resulting from formal Requests for Proposals issued by DOE and other federal agencies.

Application reviews. Panels of reviewers provide application evaluations and recommendations of support for individual and university applications to ORISE research participation and fellowship/scholarship programs.

Site evaluations. Teams of technical experts travel to locations where DOE (or other federal agency) funded research is being conducted and assess research progress with findings reported to the sponsoring agency by ORISE.

Contractor meetings. Funded research contractors come together in meetings facilitated by ORISE to report research progress to DOE and share research with fellow researchers.

Scientific advisory committee meetings. Panels of technical experts are convened for the purpose of providing guidance and input to DOE and other federal agencies in scientific areas of interest.

Student conferences. Fellows/scholars are convened to interact with DOE and DOE contractor staff, to exchange information relative to program operations, practicum site assignments and research, future employment opportunities, etc.

General conferences or meetings. Conferences or meetings open to interested individuals, but primarily focused on DOE and the contractor community. Registration fees may be used to cover the cost of amenities, within reason.

Training course presentations. Instructional courses (such as those presented by TOPS, PSP, RSAT, and REACTS) open to interested individuals, including state and local government employees, medical and public sector employees, college students, and the DOE community.

Amenities provided generally consist of the following:

Continental breakfasts. Continental breakfasts are provided to encourage attendees to be punctual and consist of coffee, tea, juices, doughnuts, muffins, sweet rolls, fruits, etc. Providing continental breakfasts facilitates handling meeting details such as registration and distribution of meeting materials and agendas. No deduction from per diem allowances is made for continental breakfasts.

Breaks. Amenities provided at work breaks generally consist of soft drinks, coffee, tea, cookies, chips, fruit, etc. Providing such amenities allows meeting facilitators to better control the meeting schedule. No deduction from the per diem allowance is made for amenities provided during breaks.

Working lunches and dinners. Working lunches and dinners must not be “sit-down affairs”, and should consist of sandwich builders, buffets, salads and the like. Working lunches are provided to enable work to continue during lunch and can save as much as 1½ hours of time that is usually required for individuals to take lunch at a restaurant. Working lunches also provide increased information sharing opportunities and improve meeting continuity. *Working dinners* are much more difficult to justify and defend as allowable costs. Working dinners should only be considered when the work is behind schedule and to break would mean that an additional night of lodging and associated per diem would result. Per diem allowances of individuals supported by ORAU/ORISE must be reduced for the meals provided, and the same will be true for other participating Federal and Federal contractor employees.

Evening receptions and other functions, such as taking customers or other associates to lunch or dinner, where the primary purpose may appear to be social rather than of a work nature, will not be considered appropriate.

It should be noted that the issue of amenities has considerable history within ORISE, within DOE, and between ORISE and DOE. This issue has been researched and discussed in great detail, both historically and legally. To develop guidelines that are broad and all encompassing would be impossible. Decisions must be based on the facts of the particular situation. Considerable prudence and judgment should be used in deciding whether to provide amenities. The correct answer will often not be clear. Since an incorrect answer will result in unallowable costs, the preferred position is to err on the conservative side. If you are worried that the cost may be challenged as unnecessary or unreasonable, your instinct is probably right, so act accordingly by abandoning the proposed use of amenities in that situation.

References:

DOE/ORAU Contract [DE-AC05-00OR22750]
FAR 52.203-3, Gratuities
Federal Travel Regulations, Conference Planning, Federal Register, January 10, 2000.
DOE Order 110.3, Conference Management