



United States Department of the Interior

OFFICE OF THE SECRETARY
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FINANCIAL MANAGEMENT MEMORANDUM 2015-010 (Vol. VI.B)

To: Assistant Secretaries
Heads of Bureaus and Offices
Bureau Chief Financial Officers

From: Kristen J. Sarri
Principal Deputy Assistant Secretary – Policy, Management and Budget

Subject: Revised Authorization and Reporting Guidance on Conference-Related Activities and Spending

The purpose of this Financial Management Memorandum (FMM) is to update previous guidance for approving and reporting conference spending. The Department values and recognizes the benefits gained when employees are brought together in a single location and able to collaborate with industry and academic colleagues. Such meetings ensure that employees are exposed to robust scientific and technical exchange to stay current and innovative. This policy supports mission requirements for travel and conferences, while fully supporting the Administration's campaign to cut waste and adhere to travel regulations and prudent conference management. The revised policy places more responsibility for conference approval and monitoring on Bureau Directors and Assistant Secretaries to ensure adherence to the new policy, especially in meeting established deadlines.

The *Consolidated and Further Continuing Appropriations Act, 2015, P.L. 113-235*, and the *Consolidated Appropriations Act, 2014, P.L. 113-76*, requires additional conference related reporting and strengthens Office of Management and Budget (OMB) memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations*. In addition to clarifying the collection of Department-wide information for annual reporting on large conferences over \$100,000 and summary reports on conference spending over \$20,000, this guidance promotes and highlights the requirement for reporting descriptions of contracting procedures utilized in conference-related spending. Development of this policy incorporated bureau comments and senior management's commitment to balance the benefits of internal control for conference activities with reporting requirements. This memorandum supersedes FMM 2013-013, *Guidance on Conference-Related Activities and Spending*, dated January 15, 2013, and FMM 2013-024, *Authorization and Reporting Guidance on Conference-Related Activities and Spending*, dated June 23, 2014.

There are six significant changes from previous Departmental guidance on conference spending.

1. OMB policies and the current appropriations acts require senior management review and reporting based on cost rather than attendance. This revised guidance eliminates defining large meetings as having 30 or more attendees.
2. Requirements for senior management review and approval of Interior's conferences will be based on estimated cost. The guidance tiers authorization to allow bureau Directors to approve conference spending up to \$40,000 (estimated cost); the Assistant Secretary

– Policy, Management and Budget to approve spending of \$40,000 to \$100,000 (estimated cost); and the Deputy Secretary to approve \$100,000 and more. If post-conference analysis determines that actual costs are significantly higher¹ than estimates, that bureau's authority to approve conference spending will be reduced to \$20,000.

3. FMM 2013-024, Authorization and Reporting Guidance on Conference-Related Activities and Spending required senior management approval of attendance to local, externally hosted conferences when 15 or more were attending regardless of whether travel costs were incurred. This requirement is being dropped and is no longer required. If a local conference involves no travel costs, an approval request is not required, regardless of estimated cost. However, if there is any travel cost at all and the estimated cost is above \$40,000, a Departmental approval request is required.
4. In compliance with statutory requirements and OMB policies, the Department is committed to reporting actual costs associated with each conference. Actual conference costs are to be reported for hosted meetings costing \$20,000 or more and all conferences costing \$100,000 or more.
5. The guidance establishes a threshold of \$10,000 for conference sponsorships, under which senior Departmental management approval is not required. Authorization of sponsorship spending of \$10,000 or more requires approval by the Deputy Secretary.
6. This memorandum also establishes a new streamlined approval process for conferences meeting certain criteria.

1. General. This memorandum provides guidance on the management of conference activities and spending for DOI that is effective immediately. This guidance is consistent with the *Consolidated Appropriations Act, 2014*, *Consolidated and Further Continuing Appropriations Act, 2015*, the President's Campaign to Cut Waste, Executive Order 13589 – *Promoting Efficient Spending*, and OMB memoranda M-11-35 *Eliminating Excess Conference Spending and Promoting Efficiency in Government* and M-12-12 *Promoting Efficient Spending to Support Agency Operations*. All DOI employees must exercise discretion and judgment in ensuring that conference expenses are appropriate, necessary, and managed in a manner that minimizes expense to taxpayers. Following this guidance promotes a strong framework of internal control designed to mitigate risks associated with conference planning and spending, and ensures compliance with Federal travel regulations.

2. Duties.

A. Bureau and Office Directors, Assistant Secretaries, and the Deputy Secretary.

Bureau and Office Directors, Assistant Secretaries, the Deputy Secretary, and other approvers and reviewers are to:

- (1) maintain a set of processes and internal controls that ensure all conference related activities are directly in support of the organization's mission;
- (2) provide scrutiny to ensure that conference hosting, sponsorship, attendance, and expenses are directly and programmatically related to their purpose and limited to only the levels required to carry out the goals of the conference;
- (3) assure that there is consideration of alternative means to achieve mission goals;
- (4) apply strict management and supervisory control to ensure reports and records are accurate, timely, and complete; and
- (5) ensure a conference coordinator is appointed for each bureau, office, and Assistant Secretary.

¹ Determined through management's discretion based on quantitative differences, past performance, as well as compliance with policies and procedures.

B. Deputy Secretary. The Deputy Secretary conducts reviews of conferences with estimated costs of \$100,000 or more to ensure the necessity of the conference activities, compliance with the overall spirit of the policy to minimize conference related spending, and compliance with Federal travel regulations with regard to lodging, food and beverages, per diem reimbursement, and compliance with Federal Acquisition Regulations (FAR) with regard to contracting for goods and services, as appropriate.

C. Assistant Secretary - Policy, Management and Budget (AS-PMB). The following authority cannot be delegated below the Deputy Assistant Secretary - Budget, Finance, Performance and Acquisition (DAS-BFPA) level.

(1) Authorization and approval of Government hosting of a conference where estimated total net cost is \$40,000 or more, and less than \$100,000. Reimbursements from other Federal entities should not be deducted from the total conference cost when deriving a net expense amount. In other words, the conference approval is to address all Federal funds under the control of the bureau or office.

D. Deputy Assistant Secretary - Budget, Finance, Performance and Acquisition. The DAS-BFPA is the senior career official responsible for oversight and implementation of this policy and approves/disapproves/modifies arrangements for conferences that are below the \$100,000 threshold and refers conferences of \$100,000 or more for the Deputy Secretary's office for action and, in very limited circumstances, the recommendation for a waiver for conferences estimated to cost \$500,000 or more.

E. Office of Financial Management (PFM).

(1) PFM is responsible for coordinating the conference approval process on behalf of the Department and provides an initial recommendation to the DAS-BFPA.

(2) PFM is the liaison with OMB and provides direction and assistance to Assistant Secretaries, bureaus, and offices and conference coordinators in the implementation of these policies and procedures.

(3) PFM will compile, transmit, and post annual reports on conference activities and spending. Reports include annual reports of large conferences (costing \$100,000 or more), and periodic reports on conference and sponsorship spending. Reporting post-conference costs and attendance is the responsibility of the each bureau and office.

F. Conference Coordinator. The coordinator will manage conference approvals, maintain the annual conference plan, and act as a liaison between the bureau and the Department. Each bureau and office will prepare an annual conference plan. PFM will maintain an updated list of coordinators. To enhance the effectiveness of the conference approval process, the coordinator should be familiar with the bureau or office conference planning requirements as they pertain to travel of attendees and consult with acquisition officials to ensure compliance with the FAR in contracting for conference related goods and services and consult with travel experts regarding adherence to Federal Travel Regulations. The coordinator will be responsible for tracking conference activity and spending, submitting the annual plan and updates, ensuring that each conference approval package is complete, proper reviews are performed, appropriate approvals are obtained, and actual conference costs are collected when needed.

G. Inspector General. The Assistant Inspector General for Audits, Inspections and Evaluations will receive and review reports of conference activity that include the annual report of large conferences (costing \$100,000 or more) hosted by DOI and summary reports of all conference attendance anticipated to cost \$20,000 or more.

3. Definitions.

A. The term "conference" is defined by the Federal Travel Regulations (FTR) as a meeting, retreat, seminar, symposium, or event that involves attendee travel. When evaluating

plans for or attendance to any conference involving travel, management must use the most conservative approach in determining the purpose of the conference.

B. Travel purpose (travel purpose codes). Correctly identifying the purpose of employee travel is extremely important for the reporting and monitoring of conference related expenses and activities. The Department's travel management system utilizes various "travel purpose codes." For the purpose of this policy, the following is guidance provided by GSA to uniformly categorize conference related travel expenses and distinguish "mission (operational)", "training attendance", and "conference attendance" travel purpose codes. Refer to travel system policies and the FTR for specific travel reporting requirements and definitions.

(1) Mission (Operational) purpose codes: "Travel to a particular site in order to perform operational or managerial activities. Travel to attend a meeting to discuss general agency operations, review status reports, or discuss topics of general interest. Examples: Employee's day-to-day operational or managerial activities, to include, but not be limited to: hearings, site visit, information meeting, inspections, audits, investigations, and examinations." Employees participating in such operational or managerial events should record the travel purpose code as Mission (Operational).

(2) Training Attendance purpose codes: "Travel in conjunction with educational activities to become proficient or qualified in one or more areas of responsibility. 5 USC 4101(4) states that 'training' means the process of providing for and making available to an employee, and placing or enrolling the employee in a planned, prepared, and coordinated program, course, curriculum, subject, system, or routine of instruction or education, in scientific, professional, technical, mechanical, trade, clerical, fiscal, administrative, or other fields which will improve individual and organizational performance and assist in achieving the agency's mission and performance goals."

(3) Conference Attendance purpose codes: "Travel performed in connection with a prearranged meeting, retreat, convention, seminar, or symposium for consultation or exchange of information or discussion. Managers and supervisors should consider all factors when distinguishing between conference and training attendance and use the appropriate identifier. Examples: To participate in a planned program as a speaker/panelist or other form of presentation, host, planner, or other designated to oversee the conference or attendance with no formal role, or as an exhibitor." Employees attending events that fit this definition and have not been recorded in either Mission (Operational) or Training Attendance purpose codes must be reported as Conference Attendance purpose code.

4. Conference Planning.

A. Annual Conference Plans. Bureaus and offices are required to maintain an annual plan of anticipated conference activity for each fiscal year to promote planning and effective management of conferences.

(1) The plan is to be submitted to PFM by October 31 and updated as plans change throughout the year. All necessary updates to the annual plan should be provided quarterly.

(2) The annual plan will include a list of all conferences that a bureau or office plans to participate in (host, sponsor, or attend) where estimated costs will be \$20,000 or more.

(3) Plans will include, at a minimum, the name of the conference and hosting (sponsoring) organization, a description of the purpose, number of participants, estimated cost, and description of the contracting procedures used.

(4) The plan will be used to inform the Deputy Secretary, monitor conference approval requirements, and assist in developing Department-wide conference attendance plans.

(5) The plan should not include formal classroom training activities. Training typically involves the process of providing for, and making available to, an employee, and placing or enrolling the employee in a planned, prepared, and coordinated program, course, curriculum, subject, system, or routine of instruction or education, in scientific, professional, technical, mechanical, trade, clerical, fiscal, administrative, or other fields which will improve individual and organizational performance and assist in achieving the agency's mission and performance goals.

(6) The plan should not include consultation with Indian Tribes as these meetings are an organic requirement of the Department to seek input.

(7) The plan should include meetings related to the Federal Advisory Committee Act that meet the definition as a conference.

B. Federal Conference Planning Guide. Conference planners must follow the Federal conference planning guide (Appendix E to Chapter 301 of the FTR) and DOI Temporary Duty Travel Policy. The FTR may be accessed at: <http://www.gsa.gov/portal/content/102886>.

C. Federal or Government-Owned Facility. Bureaus and offices are to conduct conferences at a Federal or government-owned facility. In instances when a bureau or office does not plan to use a Federal or government-owned facility, the conference request package will include a justification. The failure to secure a Federal facility due to a lack of planning is not a sufficient rationale. Rather, bureaus and offices should demonstrate why a facility is not suitable. The following web site provides Federal agencies access to a catalog of conference and meeting facilities for hosting or sponsoring conferences - <http://fedmeetingspace.cfoc.gov/>.

D. Allowable Per Diem Rates. Bureaus and offices are to ensure that lodging and expenses are within allowable per diem rates.

E. Sponsorships. Bureaus and offices are to ensure that sponsorships are approved in advance and conform to acquisition requirements. For the purpose of this policy, sponsorship includes expending funds for sponsoring, advertising, corporate membership, and all other support to a hosting organization. Bureaus are responsible for the clearance of all legal and ethical matters relating to sponsorships, cooperative agreements, and/or other issues with the Solicitor's Office and for review of contracting actions by the bureau/office acquisition official to ensure they are compliant with Federal Acquisition Regulations.

5. Conference Review and Approval Process. For all conferences a bureau or office hosts or attends where the estimated cost is \$40,000 or more; the conference coordinator must submit a conference request package to the AS-PMB at least 30 days prior to the conference start date. Conferences with anticipated expenses of \$100,000 or more should be submitted at least 60 days in advance of the conference. Please ensure your timeframes for preparation and review allow sufficient time to take advantage of discounted registration fees and discounted room rates, and to avoid cancellation penalties. Untimely conference approval requests and failure to take advantage of discounts demonstrates a lack of adequate conference planning. Please refer to Exhibit A.

A. Approval Package. To ensure all appropriate factors are considered in planning a conference, each approval request should contain the items listed below. Worksheets and checklists are available at the PFM website (<http://www.doi.gov/pfm/policy.cfm>).

(1) A cover memo that explains the mission, goals, and value of conference attendance and description of the contracting procedures used. The description of the contracting procedures must include:

(a) whether contracts were awarded on a competitive basis; and
(b) a discussion of any cost comparison(s) conducted by the departmental component or office in evaluating potential contractors for the conference.

(2) A completed Checklist for Evaluation of Proposed Conference, which is the primary tool used to evaluate conference plan requests;

(3) A multiple city cost analysis worksheet that includes a written justification if using non-Federal facilities;

(4) A conference attendee cost worksheet;

(5) An agenda for the meeting;

(6) Waivers for prohibited expenses; and

(7) Documentation that sponsorships have been approved by the Deputy Secretary.

B. Approval Process. Each conference request must be approved by the appropriate bureau or office director level and programmatic Assistant Secretary prior to submission to PMB. Conference requests for offices that report to the Chief of Staff should be approved by the Chief of Staff or Deputy Chief of Staff before submission to AS-PMB.

C. Lodging Above Allowable Per Diem Rates. Planned conferences with lodging over allowable per diem rates will be disallowed unless adequate justification is provided. The lack of planning to secure lodging that is within per diem rates and the selection of hotels by the sponsoring entity does not justify exceeding per diem rates. If the hosting organization selects a venue that exceeds per diem rates, bureaus and offices are to find alternative lodging. Exceptions may be made in cases where there is no adequate alternative lodging or the costs of transportation to and from the venue exceed per diem.

D. Streamlined Approval. For recurring, externally hosted, conferences that meet the criteria below, bureaus and offices are encouraged to prepare a streamlined request for conference approval. The request will consist of a memo, from an Assistant Secretary to the DAS-BFPA, explaining the value and mission of qualifying conferences and management's support of attendance. Additional information should include the conference dates, locations (venues), past attendance and cost, and planned attendance and cost. A complete list of attendees is not needed. Deadlines for submitting Streamlined Approval requests will follow the same criteria established in Section 5 above. **This abbreviated approval process does not reduce or eliminate the post-conference reporting requirements.**

(1) Conferences eligible for streamlined approval:

(a) have been designated as a priority by the bureau or office;

(b) are included on the originally submitted annual plan;

(c) were approved in the prior year; and

(d) have estimated attendance and costs within 10% of the prior year.

(2) Conferences NOT eligible for streamlined approval:

(a) have planned participation (spending or attendance) significantly more than previous years;

(b) require Secretarial waiver; or

(c) require international travel.

6. Conference Spending.

A. Limitation on Conference Costs. Collectively, DOI and its bureaus and offices are not to incur net expenses greater than \$500,000 on a single conference, including conferences we host or sponsor and those hosted or sponsored by other entities. Reimbursements from other Federal entities should not be deducted from the total conference cost when deriving a net expense amount.

(1) If exceptional circumstances exist, the Secretary may provide a waiver from this policy based on the compelling purpose and unique circumstances of the conference in question. A case must be made for the cost-effectiveness of the conference relative to alternative ways to achieve the mission-related benefits.

(2) A waiver request must be received 90 days prior to the proposed conference or prior to the obligation of funds for the conference including securing services for planning the conference or securing a venue. The request should include:

- (a) The rationale for considering the conference in question as having exceptional circumstances and a compelling purpose;
- (b) Demonstration that the conference is the most cost-effective option to meet mission needs; and
- (c) The signature of the bureau/office chief acquisition officer who has validated that contracting actions for the conference are compliant with Federal Acquisition Regulations, as appropriate.

B. **Gross Conference Expenses.** Gross conference expenses include all direct and indirect conference costs paid by the Government, whether paid directly by agencies or reimbursed by agencies to travelers or others associated with the conference. OMB memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations*, allows the Department to exclude funds paid under Federal grants to grantees. This exclusion is limited to grants and does not apply to cooperative agreements or other award instruments. Conference expenses include any associated costs authorized by 41 CFR 301-74.2 including:

- (1) Travel and per diem expenses;
- (2) Hire of rooms for official business;
- (3) Audiovisual use;
- (4) Light refreshments;
- (5) Registration fees;
- (6) Ground transportation; and
- (7) Other expenses as defined by Federal Travel Regulations including, but not

limited to:

- (a) Preparation and planning expenses;
- (b) Sponsorships;
- (c) Advertising;
- (d) Conference set-up; and
- (e) Speaker fees.

C. **Conference-Related Expenses.**

(1) **Per Diem.** Employees or invitational travelers may not incur lodging costs that exceed the GSA maximum lodging per diem.

(a) This prohibition applies to conferences hosted or co-hosted by DOI bureaus and conferences hosted by any other Federal or non-Federal organization.

(b) Exceptions will be considered when bureau or office directors and Assistant Secretaries document that exceeding the maximum lodging per diem is in the best interest of the government.

(2) **Sponsorship.** Committing funds for conference sponsorship, membership, support, or advertising requires senior bureau management review of spending less than \$10,000 and approval by the Deputy Secretary for spending \$10,000 or more. For the purposes of this guidance, senior bureau management should not be delegated below a deputy director (or equivalent). This requirement applies to all conferences. Review and approval, if necessary, must be in advance of the obligation of funds, it is encouraged to submit requests 30 day in advance. Proper acquisition procedures must be followed.

(a) Sponsorships should be funded based on the following criteria:

(i) The sponsorship contributes materially to the mission of the Department and/or bureau and advances a specific initiative, priority or program;

(ii) The sponsorship does not imply or commit the Department and/or the bureau to costs for travel, per diem, or lodging above the government rate;

(iii) The sponsorship provides benefits that are not realized with the attendance of Departmental and/or bureau employees at the conference;

(iv) The sponsorship supports cooperative efforts and/or partnerships with other Federal agencies, states, Tribes, and non-governmental entities; and

(v) The sponsorship complies with Federal acquisition or financial assistance requirements.

(b) Requests for sponsorships must include:

(i) The name, date, and location of the conference;

(ii) Name of sponsored entity (NGO, University, etc.);

(iii) The amount of the sponsorship;

(iv) The benefits and/or services provided with the sponsorship (e.g., free attendance by some number of attendees, logo posted on the website, meals, etc.);

(v) The sponsoring entity's identity;

(vi) The funding source; and

(vii) A narrative demonstrating why sponsorship is consistent with the purpose of the appropriation and in the best interest of the Department and the taxpayers. It should include the history of sponsorship with this entity.

7. Conference Reporting. Reporting requirements of the *Consolidated and Further Continuing Appropriations Act, 2015, P.L. 113-235* and the *Consolidated Appropriations Act, 2014, Public Law 113-76*, mandate that the Department capture actual costs for conferences held by DOI and anticipated to cost \$20,000 or more and conferences attended (i.e., held by others) anticipated to cost \$100,000 or more.

	\$1 - \$19,999	\$20,000 - \$99,999	\$100,000 or more
Conference Hosted (Held)	Estimated Cost	Actual Cost	Actual Cost
Conference Attended (Externally hosted)	Estimated Cost	Estimated Cost	Actual Cost

A. Details of hosted conference activities costing more than \$20,000 shall be submitted to the Assistant Inspector General for Audits, Inspections and Evaluations and the Office of Financial Management within 15 days after the end of a conference. Bureaus and offices are responsible for preparing and submitting this information. This summary report will include the full name of the conference, the dates, location, actual net costs, and number of employees attending.

B. Posting of Conferences in Excess of \$100,000. DOI is to publicly report all conferences held by the Department that have a net cost to the Department of \$100,000 or more on the official Interior website. Bureaus and offices may provide a link on their websites to the DOI website. PFM will coordinate the compilation of conference information and post it as a link on the PFM homepage at <http://www.doi.gov/pfm/policy.cfm>. This report is also to be submitted to the Assistant Inspector General for Audits, Inspections and Evaluations.

C. Waivers and Net Conference Spending. The website is also to include information on waivers issued and net conference spending for the fiscal year. Each year, the site is to report a description of all agency-sponsored conferences from the previous fiscal year where the net expenses were in excess of \$100,000. The information reported is to include:

(1) Total expenses;

- (2) Location;
- (3) Date(s);
- (4) How the conference advanced the Department's mission; and
- (5) The total number of individuals whose travel expenses or other conference expenses were paid by Interior, its bureaus, or its offices.

8. Policies, Procedures, and Internal Control Reviews.

A. In order to support our assurances that the Department and its bureaus and offices are managing conference activities prudently and in compliance with OMB direction and under the oversight of the Deputy Secretary, each bureau and office is required to comply with these procedures and to maintain policies and controls to mitigate the risk of inappropriate conference activities and spending.

B. Bureau and Office procedures should be updated to reflect senior management review and approval for conference spending between \$20,000 and \$40,000 and all sponsorships for less than \$10,000.

C. Because of the high level of sensitivity and risk associated with conference travel, we will continue to ask each bureau or office to assess the effectiveness of internal controls surrounding the conference approval process, in their annual internal control reviews.

9. Reference Material and Guidance. The PFM website includes all conference guidance at <http://www.doi.gov/pfm/policy.cfm>. The checklist, templates for an annual plan, and other related materials are posted for convenient access.

10. Conference Reporting Matrix. Exhibit A

	Annual Plan	Approval Package		Post-conference Reporting	
		Conference	Sponsorship	Hosted	External
\$10,000 or more	Annual Plan (updated quarterly)	Bureau management approval	Prior approval by Deputy Secretary		
\$20,000 or more		Prior approval by AS-PMB (30 days)		Actual cost to OIG and PFM	
\$40,000 or more					
\$100,000 or more		Prior approval by Deputy Secretary (60 Days)		Actual cost to OIG and PFM and description on website	Actual cost to OIG and PFM
\$500,000 and more		Secretarial waiver (90 Days) and attendance approval by Deputy Secretary (60 Days) ²		Actual cost to OIG and post a description of the conference and waiver on website.	

² For conference spending over \$500,000, a Secretarial waiver should be requested and granted prior to completing the conference attendance request package. The Deputy Secretary review for conferences with estimated costs of \$100,000 or more is necessary for the conference attendance request package.