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Comptroller General
of the United States

United States General Accounting Office
Washington, DC 20548

Decision

Matter of: Bureau of Indian Affairs, Great Plains Regional Office, Incentive Awards Ceremony

File: B-288536

Date: November 19, 2001

DIGEST

Bureau of Indian Affairs may use its general operating appropriation to pay reasonable expenses, including the cost of refreshments in the form of a buffet luncheon, associated with annual Incentive Awards Ceremony under the Government Employees' Incentive Awards Act.

DECISION

This decision responds to a request from Cora L. Jones, Director of the Great Plains Regional Office, Bureau of Indian Affairs, concerning the availability of appropriated funds for a buffet-style luncheon provided employees attending an awards ceremony. For the reasons set forth below, we conclude that appropriations are available for this purpose.

BACKGROUND

On December 14, 2000, the Great Plains Regional Office, Bureau of Indian Affairs (BIA), an agency of the Department of the Interior, held an Employee's Incentive Awards Ceremony in recognition of the achievements of its personnel during the year. As part of the ceremony, the Office provided a buffet-style luncheon at a cost of $554.40. The Office used a government charge card to pay for the food, charging the amount to its appropriations.

The Agency Charge Card Program Coordinator noted the charge and referred the matter to the agency's Inspector General. The Inspector General concluded that the Bureau could not pay the charge because the buffet was more of a dinner meal, rather than light refreshments. The Bureau's Regional Director disagreed, contending that the expenditure was proper and that the meal, as part of an award ceremony, was in the best interest of the government.

DISCUSSION

As a general rule, agencies may not feed their employees at taxpayer expense. The reason is simple and straightforward--"[f]eeding oneself is a personal expense." 65 Comp. Gen. 738, 739 (1986). Therefore, unless statutory authority exists or the expenditure falls under one of the recognized exceptions, appropriations are not available to provide food to employees at their permanent duty station. Id. The Government Employees Incentive Awards Act (GEIAA), 5 U.S.C. § 4501 (1994 and Supp. IV 1998), authorizes the use of appropriated funds to provide food at an awards ceremony.

Under the GEIAA, an agency head may pay a cash award or grant time off to an employee who "by his suggestion, invention, superior accomplishment, or other personal effort contributes to the efficiency, economy, or other improvement of government operations or achieves a significant reduction in paperwork," or "performs a special act or service in the public interest in connection with or related to his official employment." 5 U.S.C. § 4503. Agency officials have broad authority both to administer the incentive awards program and to determine the appropriate level of recognition for those employees who receive such awards. Hayes v. United States, 20 Cl.Ct. 150 (1990). The Act authorizes an agency to use its operating appropriations to cover the "necessary expense for the honorary recognition of" the employee or employees receiving the awards. 5 U.S.C. § 4503.

An awards ceremony is a proper if not an integral element of an awards program. 65 Comp. Gen. 738, 740. An awards ceremony providing public recognition clearly differs from the agency's day-to-day conduct of official business. Id. Given the "ceremonial" purpose served by such events, refreshments, which would be inappropriate in other contexts, are appropriate so long as the agency determines that the refreshments will materially enhance the effectiveness of the ceremony. Id. Accordingly, we have held that an agency may use appropriated funds to pay for refreshments in this context as a "necessary expense for the honorary recognition of" employees in accordance with GEIAA. Id.

This is not to say that agencies have unlimited discretion in the use of appropriated funds to pay for refreshments at an awards ceremony. Expenditures by the Department of Veterans Affairs Medical Center, Oklahoma City, Oklahoma (II), B-247563, B-247563.4, Dec. 11, 1996. We have not, however, constrained agency discretion by offering a hard-and-fast definition of what refreshments an agency may consider "necessary expenses" as that phrase is used in GEIAA, and will not do so here either. Instead, we have looked at this issue in the context of all the facts and circumstances. Under this approach, the food served at the ceremony and its cost are not the sole considerations. The nature of the event, and what's appropriate in those circumstances, may also be as important a consideration as what food is served and how much it cost.

Consider, for example, our approach in the following decisions. In 1969, NASA charged its Research and Program Management appropriation $60,000 to pay for a banquet at which President Nixon awarded Medals of Freedom to the Apollo 11 astronauts. B-167835, Nov. 18, 1969. In deferring to NASA's discretion to use appropriated funds for an awards ceremony of this magnitude, we observed that GEIAA "does not establish a dollar limitation." Id. In our 1986 decision, discussed above, we commented on the relative nature of what refreshments would constitute necessary expenses under GEIAA. In that decision, we did not object to the Social Security Administration's use of appropriated funds to pay for a buffet luncheon as part of the agency's annual awards ceremony, so long as the agency determined that the buffet luncheon "would materially enhance the effectiveness of its awards ceremony." 65 Comp. Gen. at 740.

We applied the same approach in a 1995 decision involving the Defense Reutilization and Marketing Service (DRMS). There, the Commander, DRMS had authorized awards to each DRMS employee in recognition of each employee's contribution to new agency business-like practices. The Commander authorized the head of each DRMS office to make the awards at luncheons not to exceed $20 per person. Recognizing that the employee coverage of the DRMS ceremonies was "broader than we have typically encountered in our prior decisions," we said, nonetheless, that "unless arbitrary and capricious, differences in degree do not invalidate the decisions made." B-270327, March 12, 1997.

Here, the Great Plains Regional Office incentive awards buffet included roast turkey with dressing and vegetables and salad, at a cost of $6.25 per person. The food was offered as part of the Office's annual awards ceremony where the Office made awards to employees for "excellence of service", superior service, meritorious service, public service, employee of the year and other special awards. The Director, in making the awards, applauded her staff for their perseverance when confronted with the challenges of "an unusual year", noting an agency apology to Indian people for "past errors", a review of the agency by the National Academy of Public Administration, and systems changes, reorganization, and regulation changes. In this context, she determined that the food "was in the best interest of the government and coincided with the awards ceremony."

We find, in these circumstances, that the Director reasonably exercised the discretion accorded her by GEIAA, and do not object to the $554.40 expenditure for the buffet luncheon.

Anthony H. Gamboa
General Counsel