



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

1.32.20

APRIL 29, 2022

EFFECTIVE DATE

(04-29-2022)

PURPOSE

- (1) This transmits revised IRM 1.32.20, Servicewide Travel Policies and Procedures, Using Appropriated Funds to Purchase Meals and Light Refreshments.

MATERIAL CHANGES

- (1) IRM 1.32.20.1.2, Authorities, Updated authorities.
- (2) IRM 1.32.20.1.6(7), Terms/Definitions, updated definition.
- (3) IRM 1.32.20.1.6(8), Terms/Definitions, updated definition.
- (4) IRM 1.32.20.1.7(1), Acronyms, updated acronyms.
- (5) IRM 1.32.20.1.8, Related Resources, updated related resources.
- (6) IRM 1.32.20.2(1)(a), General Rules, updated IRM cite.
- (7) IRM 1.32.20.2(1)(b), General Rules, updated IRM cite.
- (8) IRM 1.32.20.2(1)(c), General Rules. updated title to 6.451.1.21, Award Presentation Ceremonies, and IRM cite.
- (9) IRM 1.32.20.2(1)(d), General Rules, updated IRM cite title.
- (10) IRM 1.32.20.2(4), General Rules, updated section for clarification.
- (11) Reviewed and updated the IRM where necessary for the following types of editorial changes: legal citations, published forms and documents and web addresses.
- (12) Updated organization title to Associate CFO for Financial Management.
- (13) Per Executive Order 13988, updated references when the following references were used: him, her, his, her, she and he.

EFFECT ON OTHER DOCUMENTS

IRM 1.32.20, dated April 15, 2020, is superseded.

AUDIENCE

All business units

Teresa R. Hunter
Chief Financial Officer

1.32.20

Using Appropriated Funds to Purchase Meals and Light Refreshments

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1.32.20.1
(04-15-2020)
Program Scope and Objectives

- (1) Purpose: This IRM provides IRS policies and procedures for business units requesting approval to use appropriated funds to purchase meals or light refreshments for events that the IRS sponsors or hosts.
- (2) Audience: All business units
- (3) Policy Owner: CFO, Financial Management
- (4) Program Owner: CFO, Financial Management, Travel Management office, develops and maintains this IRM.
- (5) Primary Stakeholders: The primary stakeholders are IRS business units that host or sponsor events and use appropriated funds to purchase meals or light refreshments for event participants.
- (6) Program Goals: To track and monitor funds appropriated and used to purchase light refreshments at events that IRS sponsors or hosts. The IRS has a responsibility to act as a careful steward of taxpayer dollars, ensuring that federal funds are used for purposes that are appropriate, cost effective and important to the IRS's core mission. Business units must exercise the same care in purchasing meals or light refreshments that a prudent person would exercise if incurring these expenses on personal business.

1.32.20.1.1
(04-15-2020)
Background

- (1) The Comptroller General has identified statutory authorities that permit the use of appropriated funds to pay for meals and light refreshments in limited circumstances for IRS-sponsored events. The Government Accountability Office (GAO) publishes the Principles of Federal Appropriations Law, referred to as the "Red Book," which serves as a detailed fiscal law guide covering those areas of law in which the Comptroller General renders decisions. The Red Book provides detailed guidance regarding the availability and use of federal funds.
- (2) As a general rule, the IRS may not use appropriated funds to furnish meals or light refreshments for federal employees or private sector individuals. Exceptions to this rule must be specifically authorized under statute and approved per Delegation Order 1-68, Authorization and Approval to Use Appropriated Funds to Purchase Meals and Light Refreshments, as follows:
 - a. Deputy Commissioner for Services and Enforcement and Deputy Commissioner for Operations Support for amounts \$2,500 or greater.
 - b. CFO for amounts up to \$2,500.
- (3) This IRM outlines the specific requirements addressing specific circumstances where federal agencies may request approval to use appropriated funds to purchase meals or light refreshments for government-sponsored events.

1.32.20.1.2
(04-29-2022)
Authorities

- (1) 5 United States Code (USC) 4101-4118 et seq., *Government Employees Training Act (GETA)*
- (2) 5 USC 4501-06, *Government Employees Incentive Awards Act (GEIAA)*
- (3) 26 USC 61, *Gross Income Defined*
- (4) 26 USC 119, *Meals and Lodging Furnished for the Convenience of the Employer*

- (5) Internal Revenue Code 41 Code of Federal Regulations (CFR) 301-304, *Federal Travel Regulation (FTR)*
- (6) GAO, Principles of Federal Appropriations Law, Chapter 3 (4th ed) (GAO Report No. GAO-17-797SP), Section C5, *Food*

1.32.20.1.3
(04-15-2020)
Responsibilities

- (1) This section provides responsibilities for:
 - a. Deputy Commissioners
 - b. Chief Counsel
 - c. CFO and Deputy CFO
 - d. Associate CFO for Financial Management
 - e. Travel Management
 - f. Travel Policy and Review
 - g. Business units

1.32.20.1.3.1
(04-15-2020)
Deputy Commissioners

- (1) The Deputy Commissioners are responsible for authorizing and approving requests for the purchase of meals or light refreshments for amounts \$2,500 or greater.

1.32.20.1.3.2
(04-15-2020)
Chief Counsel

- (1) The Chief Counsel is responsible for:
 - a. Reviewing and approving all Chief Counsel requests for the purchase of meals and light refreshments at any cost.
 - b. Reviewing and providing written opinions and concurrence on requests for light refreshments when special circumstances exist.

1.32.20.1.3.3
(04-15-2020)
CFO and Deputy CFO

- (1) The CFO and Deputy CFO are responsible for:
 - a. Reviewing and approving the policy on using appropriated funds to purchase meals or light refreshments.
 - b. Authorizing and approving requests for the purchase of meals or light refreshments for amounts up to \$2,500.
 - c. Reviewing and submitting requests for the purchase of meals or light refreshments and forwarding Form 14676, Meals and Light Refreshments Request, to the appropriate Deputy Commissioner for amounts \$2,500 or greater.

1.32.20.1.3.4
(04-15-2020)
**Associate CFO for
Financial Management**

- (1) The Associate CFO for Financial Management is responsible for:
 - a. Establishing and ensuring compliance with policies, procedures, standards and controls for using appropriated funds to purchase meals or light refreshments.
 - b. Reviewing business unit requests for the purchase of meals or light refreshments and forwarding Form 14676, Meals and Light Refreshments Request, to the Deputy CFO.

1.32.20.1.3.5
(04-15-2020)
Travel Management

- (1) The director, Travel Management, is responsible for reviewing business unit requests for the purchase of meals or light refreshments and forwarding Form 14676, Meals and Light Refreshments Request, to the Associate CFO for Financial Management.

1.32.20.1.3.6
(04-15-2020)

Travel Policy and Review

- (1) Travel Policy and Review is responsible for:
 - a. Establishing and providing guidance for business units to request approval to purchase meals or light refreshments.
 - b. Educating business unit staff on the process and procedures for business units to request approval to purchase meals or light refreshments.
 - c. Authoring IRM 1.32.20, Using Appropriated Funds to Purchase Meals and Light Refreshments, and Form 14676, Meals and Light Refreshments Request.
 - d. Reviewing business unit requests for the purchase of meals or light refreshments and forwarding Form 14676, Meals and Light Refreshments Request, to the director, Travel Management.
 - e. Notifying the business unit of the decision from the Deputy Commissioner or CFO to approve or disapprove a request to purchase meals or light refreshments and providing a copy of the final documents.
 - f. Maintaining a log that includes all requests for the use of appropriated funds to purchase meals or light refreshments and the disposition of each request.

1.32.20.1.3.7
(04-15-2020)

Business Units

- (1) The business units are responsible for:
 - a. Requesting approval to purchase meals or light refreshments by completing Form 14676, Meals and Light Refreshments Request, approved by the business unit Division Commissioner/Chief/Head of Office or Deputy.
 - b. Forwarding the completed Form 14676, Meals and Light Refreshments Request, with appropriate attachments/documentation, no later than 30 days before the event start date to Travel Policy and Review at **CFO-FM-Travel Policy & Review@irs.gov*.
 - c. Ensuring the approvals for the purchase of meals or light refreshments are properly documented and the documentation is maintained for a period of six years for inspection by TIGTA or other interested parties.

1.32.20.1.4
(04-15-2020)

Program Management and Review

- (1) Internal controls are established to ensure the use of appropriated funds for meals and light refreshments are managed effectively.
- (2) Program Reports: Government purchases must meet all requirements of law, executive orders, regulations and all other applicable IRS procedures. Travel Policy and Review uses reports obtained from the Integrated Financial System to manage funds for meals and light refreshments to ensure compliance.
- (3) Program Effectiveness: Throughout the year, program effectiveness is measured through 100% review of Form 14676, Meals and Light Refreshments Request, to ensure accuracy and compliance with this IRM and the FTR. If the business units and reviewing officials determine the requests for meals and light refreshments are not accurate and compliant, the requests will be disapproved.

1.32.20.1.5
(04-15-2020)

Program Controls

- (1) Several program controls are in place to ensure compliance with this IRM. They include, but are not limited to, the controls listed below:

Control	Control Method
Delegation of Authority	Authority to approve all requests for the purchase of meals or light refreshments for amounts \$2,500 or more is delegated to the Deputy Commissioner for Services and Enforcement and the Deputy Commissioner for Operations Support, and for amounts up to \$2,500, is delegated to the CFO.
Separation of Duties	Separate roles are established for the individuals, positions and offices that review and approve requests.
Documentation Reviews	Travel Policy and Review, the director of Travel Management, and the Associate CFO for Financial Management conduct reviews of all documentation before requests for purchasing meals and light refreshments are approved.
Document Retention	Event coordinators/hosts are responsible for ensuring the event is properly documented and must have these records available for inspection by TIGTA or other interested parties for a period of 6 years.

1.32.20.1.6
(04-29-2022)

Terms/Definitions

- (1) The following terms and definitions apply to this program:
- (2) **Conference** - A pre-arranged formal event with at least some of the following characteristics: designated participants and/or registration; a published substantive agenda and scheduled speakers or discussion panels on a particular topic; and incurred IRS expenses (other than the salaries of attendees), such as expenses for refreshments, meals or travel (including transportation, lodging, or other expenses authorized under the FTR). A conference may include, but is not limited to, a retreat, convention, seminar or symposium. A conference typically is not a:
 - Routine operational meeting
 - Law enforcement activity
 - Mission-critical core function activity
 - Bureau's response to an emergency or recovery activity related to a catastrophic event
 - Testing activity (including the planning, scheduling and conducting)
 - Technical assistance/operational review site visit

- (3) **Event** - An all-inclusive term to include a conference, meeting, training occurrence, award ceremony or other similar gathering that involves expenses of the attendees, such as for travel, meals or refreshments.
- (4) **Event coordinator** - An individual or office responsible for coordinating an event.
- (5) **Light refreshments** - Includes, but is not limited to: coffee, tea, milk, juice, soft drinks, ice cream, donuts, bagels, muffins, fruit, vegetable trays, cheese trays, pretzels, cookies and chips.
- (6) **Meal** - A quantity of food that equals a full serving of breakfast, lunch or dinner.
- (7) **Official station** - The location where the employee is officially assigned to perform their regular duties. The geographic limits of the official station are the corporate limits of the city or town where the employee is located, or, if not in an incorporated city or town, the reservation, station or other established area having definite boundaries where the employee is located, not to exceed 50-miles from the building or street where the employee is normally assigned. If the employee's work involves recurring travel or varies on a recurring basis, the location where the work activities of the employee's position of record is based is considered the regular place of work.
- (8) **Special Emphasis Program** - A program that promotes equal opportunity in the recruitment, hiring, retention, advancement, training and treatment of groups of people underrepresented in specific occupational categories or grade levels. These groups may include racial or ethnic groups, veterans and individuals with disabilities. These programs improve the workplace environment by promoting and fostering diversity in the workplace through awareness and educating IRS employees and others to appreciate, value, understand and celebrate social and cultural similarities and differences.
- (9) **Training** - A planned, prepared and coordinated program, course, curriculum, subject or program of instruction or education that improves individual and/or organizational performance and helps achieve the IRS mission and performance goals.

1.32.20.1.7
(04-29-2022)
Acronyms

- (1) The following acronyms apply to this program:

Acronyms	Description
CFR	Code of Federal Regulations
FTR	Federal Travel Regulation
GAO	Government Accountability Office
GEIAA	Government Employees' Incentive Awards Act
GETA	Government Employees Training Act
M&IE	Meals and Incidental Expenses

Acronyms	Description
USC	United States Code

1.32.20.1.8
(04-15-2020)

Related Resources

- (1) IRM 1.32.10, Reporting on Event-Related Spending
- (2) IRM 1.32.11, IRS City-to-City Travel Guide
- (3) IRM 1.33.4, Financial Operating Guidelines
- (4) IRM 6.410.1, Learning and Education Policy
- (5) IRM 6.451.1, Employee Performance and Utilization - Awards and Recognition

1.32.20.2
(04-29-2022)

General Rules

- (1) The Comptroller General has identified statutory authorities that permit the use of appropriated funds to pay for meals or light refreshments at IRS-sponsored events in the following circumstances:
 - a. Formal conferences - that meet the requirements detailed in IRM 1.32.20.5, Formal Conference Requirements, and 5 USC Section 4110, *Expenses of Attendance at Meetings*.
 - b. Training - that meets the requirements detailed in the Office of Personnel Management Training Policy Handbook, and 5 USC Section 4101 et seq, *GETA*. Serving meals and light refreshments must benefit the participant, provided that training is scheduled for more than half of the day and information is exchanged between presenters and the audience. See IRM 1.32.20.6, Training Event Requirements, for additional information.
 - c. Award ceremonies - that meet the requirements detailed in IRM 6.451.1.21, Award Presentation Ceremonies, and 5 USC 4501-06, *GEIAA*. Agencies may provide meals and light refreshments at an award ceremony when employees are publicly recognized for special acts and achievements. See IRM 1.32.20.4, Award Ceremony Requirements, for more information.
 - d. Special Emphasis Program Requirements - that meet the requirements detailed in the *Equal Employment Opportunity Commission, Management Directive 715*. The meals or light refreshments are only authorized when they are a cultural sampling of meals and are an integral part of the formal program. See IRM 1.32.20.7, Special Emphasis Program Requirements, for additional information.
- (2) Light refreshments include, but are not limited to, coffee, tea, milk, juice, soft drinks, ice cream, donuts, bagels, muffins, fruit, vegetable trays, cheese trays, pretzels, cookies and chips. Light refreshments must be provided in quantities that are not considered to be a meal.
- (3) Business units should exercise prudence when purchasing meals or light refreshments. The amount spent on meals or light refreshments must be reasonable in relation to the nature, size and overall cost of the event. If employees are in travel status, they do not need to reduce their meals and incidental expenses (M&IE) allowance for any light refreshments provided.

- (4) When holding an event in a hotel or similar facility, a business unit cannot contract to pay for meals or light refreshments and allow the facility to provide the conference rooms or support at no cost to the government. In other words, the hotel is not allowed to provide a free conference room ("comp" a room) in exchange for the IRS purchasing meals or light refreshments.
- (5) The IRS cannot use appropriated funds to pay for meals or light refreshments at preliminary or evening social gatherings or during breaks to merely facilitate social interaction or to improve the attendance of participants.
- (6) The IRS is generally prohibited from using appropriated funds to pay for meals or light refreshments at day-to-day internal business meetings.
 - a. Day-to-day business meetings involve discussions of IRS internal procedures or operations. Attendance at routine IRS-sponsored meetings is generally subject to the prohibition on furnishing meals to employees at their official duty stations.
 - b. The presence of a mealtime speaker between meeting segments to discuss business, management and day-to-day operations does not provide an adequate basis for providing meals or light refreshments.

1.32.20.3
(04-15-2020)
**Determining the Nature
of the Event**

- (1) The business unit hosting the event should first determine if the event meets the basic criteria for training, awards ceremonies or special emphasis programs as explained in this IRM. If not, the business unit should determine if it fits the criteria for a formal meeting or conference.
- (2) To determine if meals or light refreshments are authorized, the business units may consult with General Legal Services, HCO or with the CFO Travel Policy and Review office for advice on the nature of an event.
- (3) Event coordinators/hosts are responsible for obtaining the appropriate approval and ensuring the event is properly documented (for example, invitation letters, registration forms, sign-in agendas) and must have these records available for inspection by TIGTA or other interested parties for a period of six years.

1.32.20.4
(04-15-2020)
**Award Ceremony
Requirements**

- (1) Generally, only items classified as light refreshments are appropriate at an award ceremony. The light refreshments must enhance the recognition of the award recipients as determined by the appropriate IRS official. Business units must exercise prudence when using appropriated funds to purchase light refreshments for awards ceremonies.
- (2) The GEIAA permits agencies to incur necessary expenses for the honorary recognition of federal employees under established awards programs.
- (3) The GAO Comptroller General decisions have emphasized that the purposes of award ceremonies are to foster public recognition of employees' meritorious performance and allow other employees to honor and congratulate their colleagues. In accordance with GEIAA, the event must meet all of the following criteria to be considered an award ceremony.
 - a. The awards being presented must meet the criteria for the recognition of employees under the GEIAA.
 - b. The awards must recognize special acts or achievements.
 - c. The award recipients must be publicly recognized.

1.32.20.5
(04-15-2020)
**Formal Conference
Requirements**

- (4) The GAO Comptroller General decisions do not authorize providing meals or light refreshments to recognize employees for their achievements in connection with an event or function that is primarily designed to achieve other agency objectives.
- (1) The IRS may be able to use appropriated funds to pay for meals or light refreshments at conferences, provided that the event meets the following requirements and condition.
- (2) The event:
 - Must include registration, published substantive agendas and scheduled speakers.
 - Must involve topical matters of interest to and participation of multiple agencies and/or non-governmental participants.
 - Cannot be a routine event that covers day-to-day IRS operations.
- (3) In addition:
 - The meal must be incidental to the event.
 - The meal must be part of an event that includes formal presentations and functions separate from when the meal is served.
 - Attendance during the meal service must be required to ensure the audience's full participation.
- (4) The quantity of the meals or light refreshments provided must be commensurate with the scale of the conference. Business units must exercise prudence when using appropriated funds to purchase meals or light refreshments for formal conferences. Generally, the cost per person may not exceed 25% of the per diem rate for applicable meals based on the geographic location of the conference.

Example: There are 100 attendees scheduled to attend a conference in Little Rock, Arkansas. The M&IE rate for this location is \$55 per day. The maximum amount paid for a meal should not exceed \$1,375 per day (\$55 times .25 equals \$13.75; times 100 equals \$1,375).

1.32.20.6
(04-15-2020)
**Training Event
Requirements**

- (1) The IRS may be able to use appropriated funds to pay for meals or light refreshments at training events. The GETA authorizes an agency to pay all or part of the necessary expenses of training. In accordance with 5 USC Section 4101, the event must meet all of the following criteria:
 - The announced purpose of the training must be educational or instructional.
 - More than half of the time must be scheduled for an organized exchange of information between presenters and audience.
 - The content of the event must be relevant to improving individual/organizational performance.
 - Developmental benefits must be derived by attendance.
- (2) A determination must be made whether providing meals and light refreshments during a training session will be advantageous to the participants in receiving the intended objectives of the course.

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1.32.20.7
(04-15-2020)
**Special Emphasis
Program Requirements**

- (1) The IRS may be able to use appropriated funds to pay for meals or light refreshments at special emphasis programs. The GAO Comptroller General decisions provide limited authority for agencies to use appropriated funds to purchase meals or light refreshments for special emphasis program when the event is:
 - Part of a formal program to advance Equal Employment Opportunity objectives.
 - Intended to make the audience aware of the cultural or ethnic history being celebrated.
 - Part of a larger program to serve an educational function.
- (2) These programs improve the workplace environment by promoting and fostering diversity in the workplace through awareness and by educating IRS employees and others to appreciate, value, understand and celebrate social and cultural similarities and differences.
- (3) The meals or light refreshments must consist of small samples of ethnic foods prepared and served during the event.

1.32.20.8
(04-15-2020)
**Approval and
Documentation**

- (1) Requests to use appropriated funds to purchase meals or light refreshments must be approved in advance of the event by the:
 - a. Appropriate Deputy Commissioner for amounts \$2,500 or more.
 - b. CFO for amounts up to \$2,500.
 - c. Chief Counsel for any Chief Counsel organization requests, regardless of the amount.
- (2) To facilitate the request/approval process, Frequently Asked Questions have been developed and posted to the *Manager's Corner* to assist business units with requesting approval to purchase meals or light refreshments.
- (3) Business units requesting approval to purchase meals or light refreshments should complete Form 14676, Meals and Light Refreshments Request, no later than 30 days before the event start date to allow enough time for approval by the appropriate Deputy Commissioner or by the CFO.
- (4) After the business unit Division Commissioner/Chief/Head of Office or Deputy has signed Form 14676, Meals and Light Refreshments Request, the request form should be forwarded to **CFO-FM-Travel Policy & Review*. Travel Management will review the request and coordinate obtaining the signature of the appropriate Deputy Commissioner or the CFO.
- (5) Business units are responsible for obtaining the appropriate event spending and training event approvals through the Servicewide Training and Event Tracking System as published on *HCO's Servicewide Training & Event Management website*.
- (6) Some hotel contracts include refreshments and/or lodging and require the acceptance of contractual terms and conditions that are subject to IRS procurement processes and procedures. For additional information about IRS policies on obtaining off-site facilities, reference Procurement Policy and Procedures Memorandum 70.24, Acquiring Training, Meeting, and Conference Services and Facilities/Spaces for Training, Meetings and Conferences at: *Policy and Procedures Memorandum No. 70.24*.

- (7) Business units should ensure that the event is properly documented with, for example, invitation letters, registration forms, sign-in agendas, and letters/memorandums documenting how much was spent for the event, including the actual costs incurred for any light refreshments or meals served. These records must be available for inspection by TIGTA or other interested parties for a period of six years.

1.32.20.9
(04-15-2020)

**Per Diem Adjustment for
IRS-Furnished Meals or
Light Refreshments**

- (1) In accordance with the FTR, when the IRS furnishes meals or light refreshments, an attendee in travel status must make the following adjustments for claimed M&IE:
 - a. If the IRS furnishes meals, the attendee must deduct the appropriate amount from the claimed M&IE.
 - b. If the IRS furnishes light refreshments, the attendee does not need to adjust or reduce the M&IE amount.
- (2) *FTR 41 CFR 301–11.17 through 11.19*, provides additional information on this requirement, including exceptions.

1.32.20.10
(04-15-2020)

Taxability of Meals

- (1) Meals furnished by the IRS may be taxable to the employee when a trip is less than 24 hours without overnight lodging. Business units need to consider the potential tax implications of providing meals to employees at their official stations prior to providing such meals.
- (2) See IRS Publication 15-B, *Employer's Tax Guide to Fringe Benefits*, for guidance on the tax treatment of employer-provided meals and on the circumstances in which meals may be excluded from income.
- (3) The business unit event coordinator is responsible for reporting taxable meals furnished to IRS employees to Travel Management. The event coordinator can contact the Travel Operations help desk at **CFO BFC Help Desk*.