

**STATE OF WISCONSIN  
STATE ACCOUNTING MANUAL**

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|---------------------|--------------------------------|------------------------|-----------------|
| <b>SECTION:</b>     | V Expenditures                 | <b>EFFECTIVE DATE:</b> | January 2, 1991 |
| <b>SUB-SECTION:</b> | 17 - Meetings - Breaks & Meals | <b>REVISION DATE:</b>  | March 15, 1999  |
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Background:

In January 1991 the State Controller's Office issued a memo to all Chief Financial Officers that specified the policy for allowable meeting expenses. This policy was later updated on March 15, 1999. This updated policy is as follows.

Agencies occasionally sponsor meetings, conferences or workshops for employees or non-employees. State Purchasing Bulletins and the Uniform Travel Schedule Amounts (UTSA) both provide guidance on meetings sponsored by state agencies. Some questions have arisen concerning the costs an agency can incur for these meetings. A review of DOA's position on this issue has been completed and the following policy has been developed to determine the allowability of costs for agency sponsored meetings and conferences to respond to agency requests for change. This policy represents the minimum requirements that an agency must meet. An agency can and should establish more specific guidelines to accommodate those situations that are common to their operation.

- A. The meeting or conference must be necessary and in accordance with the mission of the agency in order for any costs to be incurred by the state. To be allowable the expenses must be ordinary and necessary expenses of carrying out state business.
- B. The meeting or conference should be held in public facilities, if possible, and at the most economical cost to the state. Factors such as fuel conservation, travel costs, handicapped access, need for public attendance, etc. should be considered when selecting the most appropriate site for the meeting or conference. Documentation should be provided to justify the site selected. Meetings of employees, board and committee members should be conducted in state/university buildings whenever possible. Agencies are not expected to determine if rooms in state buildings are available outside their immediate vicinity before pursuing private facilities. For example, in Madison it would not be expected that agencies contact the university for conference rooms nor would the university be expected to use GEF or other downtown state buildings. Requests to pay room rental or break costs, for meetings in cities with state owned/leased facilities must include the reasons for not holding the meeting in conference rooms of state buildings. This justification is required because there are conference rooms in state buildings that can be used at no cost.
- C. **Reasonable costs** associated with the meetings are allowable as follows:
  1. Meeting room rental and equipment rental are allowed.
  2. Break expenses are allowed provided that:
    - a. facilities are not available in or near the meeting location to allow attendees to obtain break items on their own within a reasonable time period, or
    - b. if having the attendees leave the meeting room would have an adverse effect on the continuity of the meeting. In this instance it is expected that break items be consumed while the business meeting or program continues, or
    - c. the majority of attendees are not state employees. For purposes of applying this provision board members are not considered employees.

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"Facilities are not available" means that there is nothing within the building or immediate area of the meeting where attendees could obtain and consume normal break items within a typical break period (10 to 20 minutes).

Allowable break items include a nonalcoholic beverage (examples include coffee, milk, soft drink, juice, hot chocolate, etc.) and a small pastry item or fruit. The total cost per break per person should not exceed \$5 per person. Payment must be made by the agency directly to the vendor and not as a reimbursement to each attendee.

3. Meal expenses must be in accordance with the guidelines set in the UTSA and should not exceed the maximums. These maximums apply whether or not registration fees are charged. Maximums may only be exceeded if the agency can demonstrate that the facility selected for the event is the most appropriate for conducting the event (based on capacity or other factors) and the meal items selected are at the low end of the meal choices offered by the facility. If the meeting is held in the headquarters city of the majority of the attendees then a provided meal is acceptable only if the business could not be conducted effectively in such a manner so as to avoid the necessity of the meal. It is not appropriate for payment of meal costs in an employees headquarters city unless a speaker is scheduled, business is actually conducted during the meal, or facilities are not available near the meeting location for the attendees to eat on their own.
  4. Agency heads may not approve exceptions to this policy without DOA-SCO approval.
- D. The payment voucher must include the number of attendees and indicate whether the majority are state employees or non-employees. A list of individuals in attendance should be included whenever possible and identify state employees and non-employees.

Individuals arranging meetings where costs will be incurred should contact their agency financial managers or delegated pre-audit staff prior to finalizing the costs of the meeting to ensure that the requirements of these guidelines have been met.

Attached are examples of some hypothetical situations that may be encountered. Some of these examples will not meet the guidelines established in this policy statement and others do meet the guidelines.

This policy is effective upon issuance. If you have any questions concerning these guidelines feel free to contact me.

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Examples of Acceptable and Inappropriate Meeting Costs

Inappropriate Meeting Situations:

In the following hypothetical situations the identified costs do not meet the guidelines, are not considered reasonable and should not be incurred.

1. An agency proposes to sponsor a conference in Wisconsin for government employees (primarily non-state employees) and scheduled break expenses will be over \$9 per person. The break items will include chocolate dipped strawberries, swedish meatballs, beef teriyaki, egg rolls, finger sandwiches and other items. Two dinners will also be included at \$21 and \$30 per person. This is inappropriate because the costs are unreasonable.
2. A meeting of board and staff members of a state agency is proposed to be held in Door County even though the majority of the participants are from the Madison area. There is no business reason for holding the meeting in Door County. Lodging and meal costs will be incurred by all members. This is inappropriate since no valid business reason exists for selecting this location and unreasonable travel expenses would be incurred by holding the meeting at this location.
3. An agency proposes rental of an alcove in a downtown Madison restaurant instead of holding the meeting in state conference rooms. This is inappropriate if state conference rooms are available.
4. An individual requests reimbursement for the rental of a meeting room at a hotel for a meeting of three state employees. This is inappropriate if state conference rooms are available.

Acceptable Meeting Situations:

1. An agency wants to hold a meeting of 18 employees at a retreat/meeting facility. The room rental is \$1.20 per person and break costs are \$1.40 per person. The break items are coffee, pop and a pastry. These costs can be paid by the agency provided the agency justifies why it was necessary to hold the meeting at this location instead of in a state office building conference room where no costs would be incurred.
2. A conference sponsored by an agency for staff members is held at an area hotel because the size of the group is too large for available conference rooms in state office buildings. The hotel is not located near facilities for meals or breaks. As long as the cost of break items are within the \$5 guideline and as long as meal costs are within the state meal maximums the agency can pay for the cost of these items. Headquarters city approval for these costs would be necessary if the conference is in the employees headquarters city. (Note: agency employees attending this conference who are outside their headquarters city are already eligible for the meal cost.)

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