

<b>NORTH CAROLINA DEPARTMENT OF COMMERCE</b>		<b>POLICY # FM 8</b>
<b>Title: Luncheon Meetings and Conference Expenses</b>		
<b>Effective Date: December 12, 1997</b>	<b>Administering Authority: Chief Fiscal Officer</b>	
<b>Revisions: July 1, 2007</b>		
<b>Statutory Authority (if Applicable): State Budget manual, Section 5.8</b>		

**Purpose:** To provide specific guidelines concerning expense reimbursements for luncheon meetings and conference expenses.

**Scope:** This policy applies to all Divisions organized under Department of Commerce, except ESC.

**Policy:**

1. Unless a statutory exception can be invoked, allowances shall not be paid to employees for lunches if travel does not involve an overnight stay.
2. A state employee may be reimbursed for meals, including lunches, when the meal is included as an integral part of a conference or meeting. This policy does not apply to a conference or meeting, by whatever name called, of the employees within a single state department, institution or agency, or between the employees of two or more state departments, institutions or agencies to discuss issues relating to the employees' normal day-to-day business activities.
3. Reimbursement to employees for lunches eaten while on official state business may be made only in the following circumstances:
  - (a) When the employee is in overnight travel status.
  - (b) When the cost of lunch is included as part of a registration fee for a formal conference, etc. Such conferences must involve the active participation of persons other than the employees of a single state department, institution or agency and must be necessary to conduct official state business. The registration fee must not be exclusively for the lunch.

(c) When the state employee's job requires his attendance at a meeting of a State Board, commission, committee or council in his official capacity, and the lunch is preplanned as part of the meeting for the entire board, commission, committee, or council.

## **External Conferences**

External conferences are those that involve the attendance of persons other than the employees of a single state department, institution or agency. **Payment for meals is allowable if included in the registration fee, but the fee must not consist exclusively of meal or it will not be allowable unless meeting overnight travel criteria.**

### **Requirements and Limitation for External Conferences**

1. Function must be approved in writing in advance by the Secretary's Office through Fiscal Management with details, anticipated expenses, agenda and etc. spelled out.
2. There is written invitation to participants, setting forth the calendar of events, the social activities, if any, and the detailed schedule of costs.
3. Purchases connected with such activities must be approved by the department Purchasing Officer prior to any commitment; including personal services, use of buses, etc.
4. Assemblies should be held in state facilities; however, non-state facilities can be rented and the cost charged to a state agency without allocation to participants' daily subsistence allowances.
5. Break costs for board meetings/conferences/etc. are limited to \$4.50 per person per day with a minimum of 20 people required. Prior approval from the Secretary's Office must be obtained. Please provide list of attendees.
6. Individuals within the department are not authorized to sign binding contracts; only the Secretary or his/her designee.
7. A list of attendees and the agenda must be provided with invoices when submitted for payment.

8. Social security numbers must be obtained for payments to individuals for services rendered.
9. Purchases of flowers or gifts are not reimbursable.
10. Registration fees may be charged by the sponsoring department to participants for cost of external conferences.
11. Registration fees may not include costs of entertainment, alcoholic beverages, setups, or flowers. Registration fees collected and not used to defray expenses of the particular conference may not be used for other programs and must revert to the general fund as applicable (G.S. 138-6(a)(4)).

When assemblies are to be held under the sponsorship of a state department in which the funding for all participants is budgeted, lump-sum payments to a conference center or an organization may be made upon written authorization from the department head. The authorization must provide:

1. The purpose and duration of the conference.
2. The number of persons expected to attend.
3. The specific meals to be served at the conference (**law prohibits lunches being provided to state employees unless registration fees are charged to all attendees**).
4. The approximate daily subsistence cost per person; and
5. The name of the conference center, hotel, caterer, or other organization providing the service.

### **Internal Conference**

Internal conferences are those that involve the attendance of employees within that particular department, institution, or agency only. No payment for meals is allowable unless overnight travel criteria are met. A routine staff meeting is not an internal conference.

Requirements and Limitations for Internal Conference:

1. Function must be approved in writing in advance by the Secretary's Office through Fiscal Management with details, anticipated expenses, agenda and etc. spelled out.
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3. No excess travel subsistence may be granted for internal departmental meetings, conferences, seminars, etc., and such meetings must be held in state facilities when available. No registration fee may be charged.
4. Break costs for board meetings/conferences/etc. are limited to \$4.00 per person per day with a minimum of 20 people required. Prior approval from the Secretary's Office must be obtained. Please provide list of attendees.
5. A department cannot use state funds to support or underwrite a meeting, assembly, conference, seminar, rally, celebration or similar function by whatever name called that promotes any cause or purpose other than the mission and objectives of the department.