Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: National Science Foundation Annual Awards Dinner

File: B-235163.11

Date: February 13, 1996

DIGEST

The National Science Foundation may use its salaries and expenses appropriation for dinner-related expenses and travel expenses for the awardee and his/her spouse incurred in connection with the presentation of the statutorily established Alan T. Waterman Award at the National Science Board's annual awards dinner.

DECISION

The National Science Foundation (Foundation) asks whether it may use its salaries and expenses appropriation, without regard to reception and representation or donated funds, to defray part of the cost of the National Science Board's (Board) annual awards dinner. The Foundation also asks whether it may use its salaries and expenses appropriation to defray part of the cost of travel and per diem for the awardee, and his or her spouse, of the statutorily established Alan T. Waterman Award. For the reasons discussed below, we conclude that the Foundation may use its salaries and expenses appropriation to defray part of the cost of the awards dinner and the travel and per diem expenses of the awardee and his or her spouse.

BACKGROUND

The National Science Foundation consists of a 24-member National Science Board and a director. By statute, the Board meets annually in May. 42 U.S.C. § 1863(e). Since 1960, the Board has hosted a dinner at its annual meetings which has become known as the Board's annual awards dinner. Beginning in 1977, the dinner has featured the presentation of the statutorily created Alan T. Waterman Award. More recently, the Board has used the annual awards dinner to present two administratively created awards—the Vannevar Bush and the National Science Foundation Distinguished Service awards. Letter from the Foundation's Inspector General to the Comptroller General, Mar. 25, 1994.

The Waterman Award is a statutorily established award.[1] The purpose of the award is to recognize and encourage the work of younger scientists in research and advanced study in the mathematical, physical, medical, biological, engineering, social or other sciences. 42 U.S.C. § 1881a(a),(b) (1992). The award consists of a "suitable medal" and a research grant of up to $50,000 per year for not to exceed 3 years. 42 U.S.C.§ 1881a(a) (1992).

According to the Foundation's Inspector General, the Board spent a total of $18,865.96 on the awards dinner for 1993: $16,620.60 for dinner-related expenses, including rent for the site of the dinner, printing, and catering; and $2,245.36 for the travel expenses and per diem of the awardee and her spouse. Of the total amount spent, the Foundation paid all but $5,372.60 from subscriptions[2] and donated funds.[3]

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[1]In its entirety, the statute establishing the Waterman Award, 42 U.S.C. § 1881a, reads as follows:

Alan T. Waterman Award

Establishment; amount

(a) The National Science Foundation is authorized to establish the Alan T. Waterman Award for research or advanced study in the mathematical, physical, medical, biological, engineering, social, or other sciences. The award authorized by this section shall consist of a suitable medal and a grant not to exceed $50,000 per year for a period not to exceed three years to support further research or study by the recipient.

Purpose

(b) Awards under this section shall be made to recognize and encourage the work of younger scientists whose capabilities and accomplishments show exceptional promise of significant future achievement.

Number

(c) No more than one award shall be made under this section in any one fiscal year.

[2]The Board asks many invitees to pay $100 each to attend, or "subscribe" to, the dinner.

[3] The Foundation is authorized to receive and use funds donated by others. 42 U.S.C. § 1870(f). The Foundation may use such funds for entertainment expenses when it determines such expenditures are necessary to carry out its

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Typically, Board members and representatives from scientific organizations and corporations pay for themselves and their guests. The Board, however, does not ask awardees, their families and guests, Foundation employees, their spouses and guests, Members of Congress and their staffs, media representatives and other executive branch employees to subscribe.

Out of a total 1993 attendance of 169 persons, 65 paid, including the Administrator of the National Oceanic and Atmospheric Administration and his wife and representatives of private associations. Of the 27 Board members in attendance, 26 paid, as did 7 of 9 former Board members. When the Board found that subscriptions and other donations were not sufficient to defray the total costs of the dinner, the Board applied appropriated funds from the Foundation's salary and expense account to cover the shortfall ($5,372.60).

ANALYSIS

The legal issues raised by this matter are whether the Foundation may use its salaries and expenses appropriation to cover dinner expenses of Board members, Foundation employees and guests at the Board's annual awards dinner, and whether the Foundation may use the same appropriation to pay the costs of the awardee's and her spouse's travel and per diem expenses. While the Foundation applied its appropriation to defray a shortfall in subscriptions and donated funds, an audit by the Foundation's Inspector General showed that except in two instances, no federal employee paid for his or her meal; most nonfederal employees in attendance paid except for the awardee and her spouse, former award recipients, and members of the Waterman family.

As a general rule, appropriated funds are not available for the costs associated with dinners, because meals and other such expenses are considered personal in nature. 65 Comp. Gen. 16 (1985); 47 Comp. Gen. 657 (1968). Accordingly, the decisions of the accounting officers of the government have required congressional authorization before agency appropriations may be used for such expenses. B-223678, June 5, 1989.

The Government Employees' Incentive Awards Act, 5 U.S.C. §§ 4501-4506, is an often used example of such authority. The Incentive Awards Act authorized agencies to "incur necessary expenses for the honorary recognition of employees." 5 U.S.C. § 4503. We have interpreted this language to permit agencies to use operating appropriations to pay for refreshments and meals in connection with

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[3](...continued)
authorized functions and such use of the funds is consistent with the terms of the donation. B-142538, Feb. 8, 1961.

agency employee awards ceremonies. 65 Comp. Gen. 738, 740 (1986) (Social Security Administration's annual awards ceremony). We explained our rationale as follows:

> "Clearly the statutory objective will be better met by presenting an award along with a measure of public recognition, rather than anonymously depositing it in the recipient's in-box. Once we have said this, it becomes apparent that an awards ceremony is different from an agency's typical day-to-day conduct of official business. It is by its very nature and purpose, for lack of a better term, 'ceremonial.' It should therefore not stretch the imagination to conclude that certain things—such as refreshments—which would be inappropriate in other contexts, might be appropriate as part of a ceremonial function." Id.

See also B-167835, Nov. 18, 1969 (NASA banquet honoring Apollo 11 astronauts).

Presentation of the Waterman Award is a statutory function of the Foundation.[4] 42 U.S.C. § 1881a. The Foundation's authorizing legislation authorizes it "to make such expenditures as may be necessary" to carry out its functions. 42 U.S.C. § 1870(b). The Foundation points out that the prescribed purpose of the award is two-fold: to recognize and to encourage the work of young scientists. 42 U.S.C. § 1881a(b). Citing our Incentive Awards Act decisions noted above, the Board maintains that in order to achieve the statutory objectives of providing both recognition and encouragement, a dinner meeting, attended by those prominent in the research community, is "patently the only forum filling this bill." Accordingly, the Foundation considers the costs of meals and refreshments at the annual awards dinner a necessary expense of its operating appropriation.

As noted above, the Foundation is authorized "to make such expenditures as may be necessary" to carry out its functions. 42 U.S.C. § 1870(b). We have described the concept of a "necessary expense" as a relative one, "measured not by reference to an expenditure in a vacuum, but by assessing the relationship of the expenditure to the specific appropriation to be charged." 65 Comp. Gen. at 740. We also have afforded the agencies reasonable discretion to decide how to spend their operating appropriations to satisfy their statutory duties. We agree with the Foundation's assessment of the purposes of the Waterman Award. The $50,000 grant that accompanies the Waterman Award would certainly seem to encourage the work of younger scientists and would carry with it, we presume, a certain degree of recognition. The Foundation's decision to enhance the recognition value of the

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[4]The Board also presents two other awards at its annual awards dinner. The Board established the two awards pursuant to the Government Employees' Incentive Awards Act.

award and its recipients by presenting it at an annual awards dinner attended by those prominent in the research community does not in the context of the purpose of the Waterman Award seem unreasonable. Resolved in light of the statutory objectives sought to be achieved and given the Board's determination that its annual awards dinner is the appropriate and necessary vehicle to accomplish these objectives, we do not object to the Foundation's use of its operating appropriation to finance part of the dinner. We would recommend, however, that the Foundation disclose in its budget submissions the amount of its appropriation used to defray the cost of the awards dinner.

Travel and Per Diem of Awardees and Spouses

As a general proposition, agency appropriations are not available to pay for the travel, transportation and subsistence expenses of private parties. 31 U.S.C. § 1345. We have previously recognized that the authority to make an award carries with it the authority to incur necessary expenses that will contribute to effectively achieving the purpose of the award. 65 Comp. Gen. 738. In this regard, we have concluded that the travel expenses for an awardee, 32 Comp. Gen. 134 (1957), and for an awardee's spouse, 69 Comp. Gen. 38, 39 (1989), are appropriate expenses of an awards ceremony. Having concluded that an awards ceremony at the Board's annual dinner meeting is an appropriate vehicle for presentation of the Waterman Award, we view the cost of the awardee's and his or her spouse's travel and per diem as a necessary expense of the Foundation's operating appropriation.

/s/Robert P. Murphy
for Comptroller General
of the United States