



State of Arizona Accounting Manual

Topic 80 Miscellaneous
Section 12 Food and Beverages
at Certain Exercises and/or Training Activities

Issued 88/88/88
Page 1 of 7

INTRODUCTION

Upon rare occasions, it can be in the best interest of the State to provide a meal to those who, while not in travel status, are participating in certain exercises and/or particular training activities.

An exercise is comprised of a set of coordinated actions performed by a group of personnel that simulates an actual operation and typically is a means of practicing for such an operation. Unlike classroom instruction based upon discussion or exposition, an exercise frequently takes place under conditions and/or in locations that attempt to replicate those likely to be encountered by participants during an actual operation.

A training activity, as discussed herein, may involve classroom instruction, but even then is frequently, though not always, conducted in a venue that is relatively remote from stores and/or restaurants where a meal may be acquired.

For the sake of brevity, the term “training exercise” shall be used herein to refer to either or both exercises and training activities.

Typically, training exercises involve certain military, paramilitary, public safety, police, fire control, emergency management, and disaster recovery activities. It is important to recognize that most State agencies never conduct training exercises of the type contemplated by this section of SAAM.

Most important is that the training exercises, which are the subject of this section of SAAM, wherever or under whatever conditions they may be held, are of a nature that their purpose can be severely frustrated or their cost significantly increased by interruptions for meal breaks that result in the participants leaving the training exercise. Note that mere convenience or expediency will not suffice to justify the provision of food and beverages at a training exercise—it must be unambiguously demonstrable that the benefit accrued to the State for providing meals outweighs the cost of providing such meals. Meals are not to be provided when a training exercise can be conducted in a manner that would avoid the provision of meals and still effectively and economically accomplish its goals. The vast majority of educational events conducted by the State should not involve meals being provided at the State’s expense.

This section of SAAM sets forth the conditions and limitations that apply to serving food and beverages at such training exercises. It also outlines many of the roles involved in

State of Arizona Accounting Manual

Topic 80 Miscellaneous
Section 12 **Food and Beverages**
at Certain Exercises and/or Training Activities

Issued 88/88/88
Page 2 of 7

administering training exercises and particularly deciding to provide meals at training exercises and paying for such meals.

There may be one or more agencies involved in the conduct of a training exercise and a training exercise may be funded by more than one source. To clarify roles and responsibilities, the following terms are employed herein are discussed below:

The “administrative agency” is that to which funds are appropriated or granted to financially support the training exercise. The administrative agency may, itself, spend the proceeds on expenses it incurs, in which case it is also the “expending agency.” The administrative agency may also act as a “pass through” agency when, rather than spending the proceeds itself, it redirects or passes through the proceeds to another agency, which spends the proceeds and becomes the spending agency.

The term “sponsoring” agency, for purposes of this section of SAAM, is any agency responsible for the conduct of and/or the expenditure of funds relating to the training exercise and includes both administrative and expending agencies

Responsibilities attach themselves to the role or roles an agency plays in the conduct of a training exercise.

POLICY & PROCEDURES

1. This policy is limited in scope and application to training exercises.
2. When the conduct of a training exercise involves more than a single State agency—i.e., two or more State agencies and/or one or more State agencies in concert with one or more non-State governmental entities—the administrative and expending roles of each of the entities should be agreed to in writing before any arrangements or announcements of the training exercise are made. This can be accomplished by any of the following or the appropriate combination thereof, subject to appropriate legal review:
 - 2.1. A grant agreement
 - 2.2. An intergovernmental agreement (IGA).
 - 2.3. An interagency service agreement (ISA).
 - 2.4. A memorandum of understanding (MOU).
3. As discussed in SAAM 5040, agencies should not provide meals at the State’s expense unless by so doing the State’s business can be conducted more economically than would otherwise be the case.

DRAFT

State of Arizona Accounting Manual

Topic 80 Miscellaneous
Section 12 Food and Beverages
at Certain Exercises and/or Training Activities

Issued 88/88/88
Page 3 of 7

-
- 3.1. The terms “meal,” “food,” and “beverage” as used in this section of SAAM do not extend to those comestibles normally considered light refreshments, such coffee, soft drinks, pastries, fruit, candy, etc., served as snacks and not constituent components of a meal.
 - 3.2. Light refreshments at training events shall not be provided at State expense, no matter the original funding source.
 - 3.3. Bottled water may be provided at State expense only when in accordance with the provisions of SAAM 8025.
 4. Any meals served in connection with training exercises should be demonstrably reasonable and necessary for the accomplishment of the objectives of the training exercise.
 5. The economic analysis of any undertaking involves a cost-benefit evaluation in which the cost of an effort includes such direct costs as participants’ compensation and employee related expenses/expenditures, supplies, travel, lodging, meals, etc. Less direct and/or less apparent costs—such as a reduction in effectiveness, or the failure to accomplish the goal of the exercise—should also be taken into account when assessing overall cost.
 6. Training exercises by their very nature are frequently conducted “in the field,” viz., away from buildings, roads, restaurants, etc.
 7. Any training exercise at which a meal is permitted to be served must be of six (6) or more continuous hours in duration in the field, not including travel time to and from the training site.
 - 7.1. While it is allowed to serve a meal at a training exercise, it lies within the discretion of the expending agency head or his delegate as to whether a meal shall be served. The factors involved in the decision to serve a meal shall be documented and retained by the expending agency head or his delegate.
 - 7.2. Meals provided under the provisions of this section of SAAM should fall between the hours of 10:00 a.m. and 3:00 p.m.
 8. Bottled water may be made available to training exercise participants consistent with the provisions of SAAM 8025.
 9. When a training exercise is conducted in the field and the location of the exercise would necessitate more than a fifteen (15) minute one-way drive for a participant to acquire any meal, meals may be provided to participants at the State’s expense.

DRAFT

State of Arizona Accounting Manual

Topic 80 Miscellaneous
Section 12 Food and Beverages
at Certain Exercises and/or Training Activities

Issued 88/88/88
Page 4 of 7

-
- 9.1. Meals for training exercises may be provided although the participants are not in travel status.
 - 9.2. Meals for training exercises are limited to one (1) meal per participant per day.
 - 9.3. The cost of a meal provided at a training exercise is limited to the lesser of the amount of:
 - 9.3.1. The reimbursement amount for lunch, as set forth in SAAM 5095, then in effect for the location in which the meal is consumed.
 - 9.3.2. The amount allowed under the grant or contract funding the training exercise.
 - 9.4. The cost of meals provided at training exercises is to be posted to expenditure object 6711.
 10. No more than one (1) meal each day may be provided for those not in travel status.
 11. No meals may be provided to those whose presence is not required at the training site for the duration of the training day.
 12. The cost of meals provided under the provisions of this policy is to be recorded using Expenditure Object 6711, rather than 6541 or 6542.
 - 12.1. Travel claims that may be filed in connection with this training event are to be scrutinized to ensure that no claim is made for a meal that was provided.
 13. Parties to whom meals are served under must not leave the training area except for brief breaks for personal matters, to take telephone calls, etc.
 14. Meals must be served and consumed at the training site. There is a twofold reason for this:
 - 14.1. If adequate time is available to acquire and consume a meal off premises, then the rationale for providing meals is invalidated.
 - 14.2. If not served and consumed on the premises, the meal provided is taxable to those who partake if no overnight travel is involved.
 15. The agency must obtain and retain a receipt for the actual cost of the food and beverages served.
 16. They agency must obtain and retain a list of all training participants and dates of training. The list must contain the participants' names and affiliations.

DRAFT

State of Arizona Accounting Manual

Topic 80 Miscellaneous
Section 12 Food and Beverages
at Certain Exercises and/or Training Activities

Issued 88/88/88
Page 5 of 7

-
17. To determine the cost of each meal acquired, divide the total cost of the food by the total number of participants to whom food was provided.
 18. The expending agency head, his deputy or the agency CFO must approve payment for the meals.
 19. The expending agency head or his delegate is to prepare or approve an analysis that demonstrates and documents the economic or operational benefit of having provided meals to the participants. This analysis must shall be made available to the administrative agency and be retained for audit.
 - 19.1. The justification for allowing the provision of food and beverages at the State's expense at training exercises to those not in travel status may be one or more of the following:
 - 19.1.1. The reduction of the overall cost to the State of conducting the training exercise.
 - 19.1.1.1. This may be accomplished by reducing the number of days required for the training exercise and, thereby, the overall cost to the State. (The reduction in the number of days of the meeting, in turn, reduces or eliminates the costs of meals and lodging that would have been incurred as a result of overnight stays for required participants in travel status. This implies that one or more of the participants are in travel status and are or would be entitled to overnight lodging and additional meals were the training exercise to be held over one or more additional days.)
 - 19.1.2. The impracticality or cost of convening training exercise participants or trainers for an additional day or days.
 - 19.1.3. The nature of the training exercise is such that dismissing a significant number of participants and/or trainers from the training site for a lunchtime break would be detrimental to the effectiveness of the training exercise.
 - 19.2. No more than two (2) persons may be sent from the training exercise site to acquire lunches for the participants. It may be more efficient and effective to have meals for the training exercise catered or to have lunches delivered. However, even in such cases, the per-participant meal cost is not to exceed the reimbursement limit for lunch applicable to the location where the training exercise is being conducted.
 20. Other persons involved in the training exercise shall not, except in the case of emergency, leave the training site in the midst of the training event. If necessary under the circumstances, an attendance roster recording participants' arrivals and departures should be maintained.

DRAFT

State of Arizona Accounting Manual

Topic 80 Miscellaneous
Section 12 Food and Beverages
at Certain Exercises and/or Training Activities

Issued 88/88/88
Page 6 of 7

-
21. Trainers and evaluators who are not State employees may, subject to the conditions outlined below, be provided a meal at training exercises at the State's expense.
 - 21.1. No more trainers or evaluators may be fed at the State's expense than the number whose presence is required at the training exercise at the time the meal is provided.
 - 21.2. The expending agency head should consider the ratio between trainers and/or evaluators and the participants and/or trainees in making decisions relative to training exercises and the costs of such exercises.
 22. All monies due to the State and, as required, deposited with the State Treasurer are by definition public monies and therefore subject to the policies and reimbursement limitations established by the State.
 23. Purchases conducted in connection with this policy should not be made using a Travel Card.
 24. While training exercises in the field may be necessary to practice certain operations, or to comply with laws or the terms of grants, or to acquire or maintain certifications, other equally effective but less costly alternatives should be considered and chosen when possible.
 25. The cost of meals—and the possible avoidance of that cost—should be taken into account when scheduling the hours during which training exercises will be conducted.

For example, if practicable and not detrimental to the objectives of the training exercise, it might be possible to conduct drills in the field during a morning session, break for a lunch period consistent with other provisions in this section of SAAM, and present classroom instruction in an afternoon session. In such circumstances, only State employees in travel status would be entitled to a meal reimbursement.

26. A non-sponsoring State agency is responsible for reimbursing an expending State agency for meals purchased for the non-sponsoring State agency's employees, if:
 - 26.1. The expending agency purchased meals in anticipation of the attendance of non-sponsoring agency employees who were registered to participate in a training exercise but failed to appear.
 - 26.2. The expending agency purchased meals for non-sponsoring agency employees who appeared, but failed to participate in the entire training exercise.
 - 26.3. The head of the expending agency, at his own discretion, elects to charge the non-sponsoring agency for such costs and to provide the non-sponsoring agency

DRAFT

State of Arizona Accounting Manual

Topic 80 Miscellaneous
Section 12 **Food and Beverages**
at Certain Exercises and/or Training Activities

Issued 88/88/88
Page 7 of 7

evidence of non-attendance or non-participation and the cost of the meal or meals to be reimbursed.

27. An expending agency may bill a non-State entity for meals purchased, but not consumed by, non-State entity employees.
28. The expending agency shall retain for audit and provide to the State Comptroller upon request all relevant records relating to the provision of food or beverages provided at training exercises.

DRAFT