The Deputy Secretary of Energy
Washington, DC 20585

December 6, 2012

MEMORANDUM FOR DAVID B. SANDLOW
ACTING UNDER SECRETARY OF ENERGY

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HEADS OF ALL DEPARTMENTAL ELEMENTS

FIELD SITE MANAGERS

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FROM: DANIEL B. PONEMAN

SUBJECT: Updated Guidance on Conference-Related Activities and Spending

On May 11, 2012, the Office of Management and Budget (OMB) issued a memorandum to all agencies that contained steps to further improve operations, increase efficiency, and promote cost consciousness. One component of that memorandum outlined a new set of policies and practices for conference stewardship, hosting, and attendance to ensure that Federal funds are used appropriately on these activities. At the Department of Energy (DOE), we have been working over the last several months to put in place a process by which we can further improve our stewardship of taxpayer dollars in this area and implement OMB's direction. The updated guidance and requirements contained in this memorandum are a result of improved processes that have been developed, including the creation of a Conference Management Database to assist in the execution of this direction regarding conference spending. All prior memoranda on this topic, other than the GC Guidance on Conferences, are hereby cancelled, including the Deputy Secretary memoranda dated May 21, 2012 and July 6, 2012.

It is important that this updated guidance on conference-related activities and spending is disseminated to all Department employees and contractors. This memorandum is being sent via a DOE-wide DOECAST. In addition, each Head of Contracting Activity must communicate these requirements with appropriate instructions to all Contracting

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Officers, who must then communicate these requirements to all contractors within their purview.

The intent of the requirements contained in this memorandum is not to negatively affect operations that are critical to the day-to-day execution of the Department's mission, but rather to meet the requirements set forth in the May 2012 OMB memo and to ensure that the Department's spending on conference related activities is limited to that which is appropriate, necessary, and managed in a manner that minimizes expense to taxpayers. The Secretary and I expect all conference sponsors and attendees to aggressively seek to reduce costs, including, for example, selecting a federal venue or negotiating with venues for meeting space, carpooling or taking public transportation, early registration and travel arrangements, bringing audiovisual equipment rather than renting it, and carefully limiting attendance to only those necessary in support of DOE mission activities. We expect our employees and contractors to be creative and thoughtful in identifying opportunities for saving money. Requests for conference approval (or for a Secretarial waiver) must flag any aspects of the request, such as the venue, which might raise questions, and provide an explanation for the choice.

Finally, employees and contractors who attend conferences are reminded that they are stewards of taxpayer dollars, and should ensure that Federal funds are used solely for purposes that are appropriate, cost-effective, and important to the core mission of the Department of Energy. Attendees are expected to conduct themselves in a manner that demonstrates the professionalism of the Department at all times and to maintain the highest levels of ethics and responsibility.

<u>Approvals</u>

- The Deputy Secretary must approve all conference expenditures in which the net DOE expenses will exceed $100,000, but are less than $500,000.
- Prior to the Deputy Secretary's review, the Head of the Departmental Element and appropriate Under Secretary (if applicable) must review and certify that requested expenditures are limited to the minimum level necessary to carry out the Department's mission and are consistent with applicable portions of the Federal Travel Regulation and Federal Acquisition Regulation.
- Net DOE expenses of more than $500,000 for a single conference are prohibited unless a Secretarial waiver is first obtained. Waivers will only be granted under the terms set forth in the OMB memorandum: when the requesting party demonstrates that exceptional circumstances exist whereby spending in excess of $500,000 on a single conference is the most cost-effective option to achieve a compelling purpose.
- Contracting Officers shall not allow any costs for conferences – including deposits, non-refundable travel registrations, and registration fees – until these approvals have been first obtained. Contractors should be informed that DOE is directing them not to incur expenses, and that DOE will not provide such direction or approval to incur costs unless the conference has first been

approved under these procedures. Notwithstanding the foregoing, contracting officers may allow a minimal expenditure necessary to obtain estimates in sufficient detail to prepare the approval memorandum.

- The above approvals are required for DOE-sponsored conferences, as well as those not sponsored by DOE.
- All conference activities and approvals are to be reported through the Conference Management Database, which is located on iPortal, and is described in more detail below. The use of this database is mandatory, and information will generally not be accepted through alternate channels.
- Approval for travel via the Foreign Travel Management System (FTMS) does not constitute approval to host or attend a conference. Instead, approvals must be obtained pursuant to the procedures set forth in this memorandum.

Roles and Responsibilities

- The Secretary of Energy must approve the Department's net expenditure of more than $500,000 on a single conference via a waiver, if appropriate conditions are satisfied.
- The Deputy Secretary of Energy must approve the Department's net expenditure of more than $100,000 but less than $500,000, if appropriate conditions are satisfied.
- Office of Management
    - Executes the approval process using the existing Executive Secretariat Collaborative Action Process once requests have been submitted by the appropriate Under Secretary (if applicable), or Head of Departmental Element (if no Under Secretary).
    - Collects and publishes information, as detailed in the May 2012 OMB memorandum, on the DOE website for DOE-sponsored conferences where net DOE expenses exceeded $100,000.
    - Maintains the Conference Management Database on iPortal and ensures its functionality and availability to all offices and M&O contractors to report data.
    - Ensures the Conference Management Database generates approval packages consistent with the timing, content, and format requested by the Secretary and Deputy Secretary.
    - Gathers and makes available on PowerPedia cost-saving best practices on conference management and planning.
    - Provides continued guidance and direction on conference planning and management in response to inquiries from designated conference Points of Contact.
- Each Head of Departmental Element and Under Secretary
    - Ensures all employees are made aware of the requirements in this memorandum.

- Aggressively seeks to reduce costs for every conference they sponsor, such as negotiating with venues for meeting space, requiring attendees to carpool, bringing audiovisual equipment rather than renting it, etc. Establishes clear expectations that their employees do the same. Ensures that a process is in place to scrutinize attendance for all conferences sponsored or attended by their employees.
- Reviews and certifies that expenditures for approved conferences are limited to the minimum necessary to carry out the Department's mission and are consistent with applicable portions of the Federal Travel Regulation and the Federal Acquisition Regulation.
- Establishes a process by which the necessary reviews and controls occur prior to being submitted to the Executive Secretariat for approval.
- Appoints a lead person who has primary responsibility for managing this process within their organization.
- Collaborates to ensure that conference approval requests are reviewed and signed by all necessary parties within two weeks of the package being created.

- Heads of Contractor Organizations (e.g., Laboratory Directors)
  - Ensures all employees are made aware of the requirements in this memorandum.
  - Aggressively seeks to minimize costs for every conference they sponsor, such as negotiating with venues for meeting space, requiring attendees to carpool, bringing audiovisual equipment rather than renting it, etc. (when it is cost effective), and carefully scrutinizing attendance. Establishes clear expectations that their employees do the same. Ensures that a process is in place to scrutinize attendance for all conferences sponsored or attended by their employees.
  - Ensures that conference expenditures are kept to the minimum necessary to carry out the Department's mission and are consistent with applicable portions of the Federal Travel Regulation, Federal Acquisition Regulation.
  - Instructs their employees not to incur costs prior to conference approval unless they have been directed to plan a conference, in which case they may be permitted to incur minimal costs necessary to obtain estimates to prepare the approval memorandum.
- Conference Attendees
  - Report all planned conference attendance to their organization's conference POC and does not incur expenses until (i) the Conference Management Database Event Status field is locked and the Approval Comments field reflects "Approval Not Needed at Current Estimates," indicating that DOE expenses will be less than $100,000; or (ii) the Conference Management Database Approval Comments field reflects "Approved" for a conference for which DOE expenses are estimated to exceed $100,000. Attendance is permitted only if the employee or

contractor's requested attendance is reported in the Conference Management Database prior to the lock out date (see below under "Reporting" for further details).
    - Personally seek to ensure good stewardship of taxpayer dollars when hosting or attending a conference.
    - Ensure that Federal funds are used solely for purposes that are appropriate, cost-effective, and vital to the core mission of the Department.
    - When attending conferences, conduct themselves in a manner which demonstrates the professionalism of the Department at all times.
    - Maintain the highest levels of ethics and responsibility and does not participate in any activity that could reflect poorly on the Department.
- Office of the General Counsel
    - Provides guidance and legal review for all conference packages.

Reporting Planned Attendance and Expenses

- Beginning immediately, all anticipated conference activity for DOE and non-DOE-sponsored conferences (i.e., attendance and costs) must be reported in the Conference Management Database, located at https://iportalwc.doe.gov. Data can be entered and updated at any time up to the lock-out date (see below).
- All planned conference attendance must be reported, regardless of the number of attendees from individual M&O contractors or offices. This is necessary to ensure that the departmental participation, when aggregated, does not inadvertently exceed approval thresholds. See Attachment 1, Determination of a Conference, for discussions of conference characteristics, what must be reported, and exempted events.
- The conference database system will be populated by a point of contact (POC) from each Headquarters Element, field element, and M&O contractor.
- Unless the Office of Management issues guidance to the contrary, each conference POC is responsible for reporting all conference activity for their organization, regardless of the specific DOE/NNSA funding source. For example, the POC for a multi-program laboratory is responsible for reporting all conference activity for that laboratory, regardless of whether the funds for that particular activity come from the Office of Science or NNSA.
- Within the Conference Management Database, a lock-out date will be set for each conference. After the lock-out date has passed, no additional DOE-funded attendees or DOE costs can be proposed or incurred (even if the conference is later approved).
- Lock-out dates will be set as far in advance as practicable, and will be based on benchmarks like the date for abstract submittals, the date by which foreign travel visas are needed, and the date by which less expensive travel arrangements can be made (e.g., advance purchase fares). Sufficient review and

approval time must also be included to ensure attendees can take advantage of early registration discounts.

- Effective December 1, 2012, all conference approval requests (including waivers) must be delivered to the Executive Secretariat no later than 45 days prior to the conference start date. In order to accommodate this Secretarial requirement, the minimum lock-out date will never be less than 60 days from the conference start date, but should typically be earlier than 60 days, for the reasons identified above (early registration, discounted travel, etc.). For those conferences that do not exceed $100,000 in net DOE expenses upon reaching the lock-out date, organizations may incur costs, but only consistent with their estimates that have been reported in the Conference Management database.
- In cases where the conference is DOE/NNSA-sponsored, and the sponsoring organization explains and documents their plan in the Conference Management Database to keep costs below the $100,000 threshold, no further reporting or approvals are needed.
- If an organization becomes aware of the need to attend a conference with less than 60 days notice (i.e., the conference has not been identified in the database), they must consult with the conference POC for their Under Secretary or Headquarters Departmental Element's office before further action is taken. Attendance may still be allowed, but only in cases where total DOE net expenditures will clearly remain below the $100,000 approval threshold (i.e., no approval request will be considered at that late date).

Reporting Actual Attendance and Expenses for DOE-sponsored Conferences over $100,000

- MA will be responsible for publishing on the DOE website information concerning DOE-sponsored conferences where net DOE expenses exceeded $100,000, pursuant to OMB direction in the May 2012 OMB memo. This will be done by January 31 of each year.
- Each organization must update the Conference Management Database with actual attendance and cost information for each DOE-sponsored conference for which DOE net expenses exceeded $100,000.
- To allow for timely publication, each organization must report data for all required actual expenditure fields in the database no later than December 15th following the end of the fiscal year in which the conference occurred. Earlier reporting of conference actual is strongly encouraged.
- There is no OMB requirement to report actual attendance and expense for conferences sponsored by non-DOE entities.

Additional Guidance

- After a conference has been approved, it is important to note that the conference has only been approved pursuant to the parameters (number of attendees, estimated costs) set forth in the conference approval package.

Organizations cannot make changes to input once it is locked, and should contact the Federal POC in their Under Secretary's office to determine what if any modification can be allowed.

- Individuals who will be submitting, reviewing, and/or approving conference requests must review the General Counsel Guidance on Conducting and Participating in Conferences, located at http://energy.gov/gc/downloads/gc-guidance-conducting-and-participating-conferences-0 .
- Programs should not expect or assume that conference requests will be approved. Unrecoverable costs are not to be incurred until approval has been granted or until the lock-out date has passed with less than $100,000 in estimated net DOE expenses being reported. Again, even in those circumstances, only reported estimated costs may be incurred.
- Conference activities, particularly training activities that are not included in the exemptions identified in Attachment 1, are encouraged to be held at government and contractor facilities whenever possible.
- In order to maximize consistency across the Department, individuals within organizations will refrain from placing additional requirements and/or separate thresholds on the approvals and processes described herein unless there is a compelling reason and the additional requirements have been approved by the Under Secretary overseeing the organization (if applicable) or Head of Departmental Element (if no applicable Under Secretary) and concurred on by the Deputy Secretary.
- Conference activity funded by non-DOE and non-NNSA sources, which would include Work for Others, are not within the scope of this memorandum; however, they may be subject to similar requirements imposed by the funding agency.

Attachment 1. Determination of a Conference

1. General Definition. "Conference" is defined in the Federal Travel Regulation as, "[a] meeting, retreat, seminar, symposium, or event that involves attendee travel. The term 'conference' also applies to training activities that are considered to be conferences under 5 C.F.R 410.404." However, this definition is only a starting point. What constitutes a conference for the purpose of this guidance is a fact-based determination based on an evaluation of the criteria established in this attachment.

2. Additional Indicia of Conferences. Conferences subject to this guidance are also often referred to by names other than "conference." Other common terms used include conventions, expositions, symposiums, seminars, workshops, or exhibitions. They typically involve topical matters of interest to, and the participation of, multiple agencies and/or nongovernmental participations. Indicia of a formal conference often include but are not limited to registration, registration fees, a published substantive agenda, and scheduled speakers, or discussion panels. Individual events may qualify as conferences without meeting all of the indicia listed above, but will generally meet some of them. Please note that some training events may qualify as conferences for the purposes of this guidance, particularly if they take place in a hotel or conference center.

3. Local Conferences. Events within the local duty location that do not require advance travel authorization may also qualify as a conference for the purposes of this guidance if the event exhibits other key indicia of a conference, especially the payment of a registration, exhibitor, sponsor, or conference fee.

4. Exemptions. For the purposes of this guidance, the exemptions below apply and these types of activities should not be considered to be conferences even if the event meets the general definition of conference in section 1 above. Even where an event is considered exempt from this guidance, organizations are expected to continue to apply strict scrutiny to DOE's participation to ensure the best use of government funds and adherence with not only all applicable laws and policy, but the underlying spirit or principles, including ensuring that only personnel attend events that have a mission-essential need to do so, that expenses be kept to a minimum, and that participation in any associated social events be limited and restrained to the greatest degree practicable to avoid the appearance of impropriety. Exemptions from this guidance should be granted sparingly and only when events fully meet the definition and intent of the criteria below:

a. Meetings necessary to carry out statutory oversight functions. This exemption would include activities such as investigations, inspections, audits, or non-conference planning site visits.

b. Meetings to consider internal agency business matters held in Federal facilities. This exemption would include activities such as meetings that take place as part of an organization's regular course of business, do not exhibit indicia of a formal conference as outlined above, and take place in a Federal facility.

c. Bi-lateral and multi-lateral international cooperation engagements that do not exhibit indicia of a formal conference as outlined above that are focused on diplomatic relations.

d. Formal classroom training held at Federal facilities which does not exhibit indicia of a formal conference as outlined above. This exception would include activities such as regular courses of instruction or training seminars at the National Training Center, and the HAMMER training facility at Hanford, and regular courses of instruction or training seminars conducted by the Office of Management for Acquisition Workforce related to the core activities of the Department.

e. Classroom training available through Federal and commercial sources required as part of a certification program required for the performance of an employee's position which does not exhibit indicia of a formal conference as outlined above.

f. Meetings such as Advisory Committee and Federal Advisory Committee meetings, Solicitation/Funding Opportunity Announcement Review Board meetings, peer review/objective review panel meetings, evaluation panel/board meetings, and program kick-off and review meetings (including those for grants and contracts).

Attachment 2. Questions and Answers

Question: Does this guidance change the previous contractor reporting thresholds?

Answer: Yes, organizations must report all planned attendance and cost. There is no reporting threshold.

Question: If a conference is locked and we discover an error in the input, what do we do?

Answer: Organizations cannot make changes to input once it is locked. You should contact the Federal POC in your Under Secretary's Office (if your office has an Under Secretary), and if not then the lead POC for your Departmental Element to determine what if any modification can be allowed.

Question: How does an organization know they are approved to proceed?

Answer: Once a conference is locked, the status will be changed to reflect whether approval is required or not. If no approval is required, the organization may proceed within the cost levels captured in the Conference Management Database. If approval is required, they must wait until approval is secured and the database has been updated to reflect that change. In cases where the sponsor of a conference is DOE or NNSA, and the sponsoring organization has documented their plan to maintain costs below the approval threshold, costs can also be incurred consistent with that plan without further approvals.

Question: What if an operational event is entered into iPortal?

Answer: If there is a conflict in interpretation, the assigned Federal POC should make a determination whether additional Deputy Secretary and/or General Counsel concurrence is required before asking that the event be deleted.

Question: How will we avoid having the same conference entered into the database under slightly different names, thereby skewing the aggregation of costs?

Answer: All POCs entering data must first search for an existing entry that matches their conference. Headquarters POCs will also be periodically checking the system to ensure duplicates are not being entered.