

Guidance when using Other Direct Costs (ODCs) in support of a Conference Event or Trade Show

The Professional Services Schedule, offer GSA customers an array of services related to planning, coordinating, and implementing superior conference events or trade shows in support of mission requirements. Despite diverse offerings identified under SIN C541 4D, Conference Planning, GSA realizes the value add in facilitating a means, through Other Direct Costs (ODC), that enable our federal customers to tailor these types of events. This document further clarifies guidance regarding Other Direct Costs (ODCs) in support of Conference Event or Trade Shows.

Prior to placing a Task Order under SIN C541 4D, Conference Events and Tradeshow Planning Services, for an Event in conjunction with services being provided under SIN C541 5, Integrated Marketing Services, the following information should be considered:

1. If the intent of the order is to have all “Other Direct Costs” (ODC’s) inclusive in the contract, ensure that all contractors being issued the RFQ have also been awarded “Other Direct Cost” SIN 541 1000.
2. If the contractor ***has not*** been awarded the “Other Direct Cost” SIN associated with the Professional Services Schedule, understand that all “Other Direct Costs” associated with the event must be issued as “Open Market” items in accordance with FAR 8.402(f). If ODC’s are being awarded under the contract, the following guidance is applicable:
 - a. Other Direct Costs (ODCs) are expenses other than the direct labor hours listed in the vendor’s pricelist. All ODCs proposed must be directly related to a service being offered under the Professional Services Schedule and can only be purchased in conjunction with the Schedule service. Possible ODCs may include, but are not limited to items such as audio/visual equipment, facility rental, commercial production, media costs, booth space rental, etc.
 - b. All ODC’s are established at ceiling amounts on the contract and may only be increased through contract modification. As long as the contractor quotes a price for the ODC that is less-than, or equal-to the ceiling price listed, the cost is allowable under the contract. The approved ODC’s on the Schedule contract are supported with either an invoice or a quote from a third-party provider. GSA normally approves the highest priced verified invoice amount as the ceiling amount. This provides the greatest flexibility for our vendors to meet diverse federal agency requirements. Please note that our expectation is that our federal customer experts procuring these services will evaluate each ODC for appropriateness and reasonableness in performance of your task order. The actual cost for the ODC in most instances will fall below the approved ceiling amount.
 - c. If the needed ODC falls outside of the ceiling amount on the contractor’s Schedule contract, the contractor has the ability to modify the contract

and raise the ceiling amount based upon a quote from their provider to fulfill your need.

- d. If an ODC is needed that is not currently listed on their Schedule Contract, the contractor has the ability to modify the contract and add the ODC to their contract to fulfill your need.
- e. In general, government funds may not be used to purchase meals or refreshments for government employees or others. There are exceptions to this general rule, such as:
 - When employees are attending a **bona fide awards ceremony** authorized under the Government Employees Incentive Awards Act (5 United States Code [USC]. §§ 4501 -4509), light refreshments may be provided to enhance the ceremony.
 - When employees are attending a **cultural awareness program**, light refreshments consisting of samples of ethnic foods may be served for the purpose of promoting Equal Employment Office (EEO) objectives by increasing employee appreciation for the cultural heritage of ethnic groups.
 - When employees are on official travel –
 - The cost of meals may be reimbursed as authorized by the Federal Travel Regulation (FTR), 41 Code of Federal Regulations (CFR) Chapters 300 and 301, and
 - The cost of light refreshments for employees at a government-sponsored conference may be paid with agency funds as authorized by Part 301-74.11 of the CFR
 - When employees are attending **training** under the Government Employee's Training Act (GETA) (conducted either by the government or a non-governmental organization) that meets the definition of training set out in 5 U.S.C. § 4101(4), meals or refreshments may be paid for by the government **if –**
 - The meals or refreshments are incidental to the training; and
 - Attendance of the employees at the meals is necessary in order to obtain the full benefit of the training; and
 - Employees are not free to take the meals elsewhere without being absent from essential formal training sessions.
 - When employees are attending a formal meeting or conference that is authorized under 5 USC § 4110 (*i.e.*, a meeting or conference that is related to official business, but does not meet the definition of "training") meals or refreshments may be paid for by the agency **if –**
 - If the meeting or conference is sponsored by a non-government organization, and if a single fee is charged covering both attendance at the conference and meals and refreshments, and no separate charge is made for meals or refreshments; or

- if the meeting or conference is sponsored by a Federal entity or if it is sponsored by a non-government organization and a separate charge is made for meals, the agency may pay for the meals and refreshments **if –**
 - The meals and refreshments are incidental to the meeting or conference;
 - Attendance at the meals or when refreshments are served is important to ensure the employees' full participation in the meeting or conference; and
 - The meals or refreshments are part of a formal meeting or conference that includes not just the meals and refreshments and discussions or speeches that may take place when they are served, but also substantial functions separate from when the food is served.

It should be noted that if employees are on official travel to attend training or a formal meeting or conference, and meals are furnished at a nominal or no cost to the employees or are included within the registration fee, the per diem allowance for meals and incidental expenses must be adjusted in accordance with the FTR at 41 CFR 301-11.18.

If you have any questions about the use of agency funds for meals or refreshments, please contact your servicing legal office.