



1. **PURPOSE:** This directive provides TSA policy and procedures governing the use of and accounting for Official Reception and Representation (ORR) funds, which are appropriated by Congress for the Office of the Assistant Secretary.
2. **SCOPE:** This management directive applies to all TSA organizational elements and employees. As an exception to the Procedures described in this directive, the Office of the Assistant Secretary may continue to use established informal procedures to make and document routine purchases using ORR funds, subject to the oversight procedures described in this directive.
3. **AUTHORITIES:**
 - A. Annual Department of Homeland Security Appropriations Acts
 - B. 22 U.S.C. § 2694
 - C. 41 C.F.R. § 102-42.10
 - D. [DHS MD 0540, Official Reception and Representation Funds](#)
4. **DEFINITIONS:**
 - A. Official Reception: An occasion for which the primary purpose is to explain or interpret the programs of TSA. Events may be held in the United States or foreign countries, and may be attended by domestic or foreign officials or others being entertained for official purposes.
 - B. Official Representation: Entertainment primarily of foreign dignitaries in a foreign country in connection with the interest of TSA. Representation may also include official entertainment of domestic or foreign officials within or outside the borders of the United States where the principal purpose of the event is related to a responsibility or concern of TSA.
 - C. ORR Funds: Funds used to maintain the standing and prestige of the United States by extending official courtesies to various dignitaries, officials, and prominent citizens. Because ORR funds are limited and closely monitored, only the TSA Assistant Secretary/Administrator or his delegate may approve ORR expenditures.
5. **RESPONSIBILITIES:**
 - A. Assistant Secretary is responsible for:
 - (1) Approving the expenditure of all ORR Funds.
 - (2) Delegating approval authority, as deemed appropriate.

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B. Chief Financial Officer (CFO) is responsible for:

- (1) Providing oversight of the expenditure of ORR funds.
- (2) Ensuring internal controls are established to monitor the usage of ORR funds.
- (3) Acting, with coordination from the Office of Chief Counsel (OCC), on requests for exceptions to policy regarding this directive.
- (4) Submitting quarterly expenditure reports of ORR funds to the DHS CFO.

C. Office of Budget and Performance is responsible for:

- (1) Noting the availability of funds and providing the accounting code for all ORR fund request memoranda.
- (2) Ensuring related purchases are recorded in the Finance and Procurement Desktop.
- (3) Reconciling the ORR fund account quarterly.
- (4) Ensuring all supporting request documentation is forwarded to OCC.

D. OCC is responsible for:

- (1) Reviewing all requests for ORR funds and providing a legal opinion to ensure they are used for authorized purposes.
- (2) Coordinating on properly documented and funded requests to expend ORR funds.
- (3) Ensuring all supporting documentation is forwarded to the Assistant Secretary and the CFO.

E. Executive Assistant/Protocol is responsible for:

- (1) Serving as the delegate of the Assistant Secretary for routine purchases using ORR funds.
- (2) Maintaining detailed records of all ORR fund expenditures made directly on behalf of the Assistant Secretary/Administrator or the Deputy.

6. POLICY:

A. For any official function (to include the purchase of a gift or memento), ORR funds may not be commingled with or supplemented by funds from any other appropriations.

B. Authorized Uses of ORR Funds.

- (1) Visits by foreign dignitaries and officials.

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- (a) Invitations to foreign dignitaries to visit the United States, at the expense of TSA, shall be extended only by the Assistant Secretary or the Deputy Assistant Secretary. Proposals to invite foreign dignitaries to the United States will include a planned itinerary and associated cost.
 - (b) Invitations shall be limited to foreign counterparts of the Assistant Secretary or the Deputy Assistant Secretary, their spouses, and no more than two accompanying staff members, for a period not to exceed ten days.
 - (c) Transportation to and from the continental United States will be the responsibility of the visiting foreign dignitary.
 - (d) When hosting foreign dignitaries, TSA shall normally be responsible for meals, including formal luncheons, dinners and receptions. Meals and official entertainment costs for the night before and the night after the visit may also be paid by TSA, when approved in advance.
 - (e) Entertainment may be planned during the official portion of the visit. If provided at TSA expense, activities shall be limited to one or two events per visit and shall be modest in nature, reflecting a level of hospitality that the typical American host, whose rank and position are equal to that of the foreign dignitary, would provide a special guest during a visit in his or her residence.
 - (f) U.S. Government personnel traveling with the official party shall be limited to the number necessary to provide escort, interpreting, security, or other essential services that may be necessary to accomplish the purpose of the visit.
 - (g) At the discretion of the Assistant Secretary, senior foreign dignitaries who are not TSA-invited guests may be hosted in accordance with the guidance set forth in this management directive.
- (2) Visits by Citizens of the United States.
- (a) Official courtesies may be offered to Federal, State, and local dignitaries and officials, such as the President and the Vice President of the United States, members of the Cabinet, members of the legislative and/or judicial branches of the United States Government, and professional staff of Congress, governors of States, mayors of cities, citizens' committees, other distinguished or prominent citizens, who have made a substantial contribution to the nation or TSA.
 - (b) Members of the news media may also be offered official courtesies on certain occasions when authorized by the Assistant Secretary or the Deputy Assistant Secretary. However, the use of ORR funds for routine business meetings is prohibited.
 - (c) Official courtesies may include the cost of luncheons, dinners, receptions, mementos, and participation expenses at TSA-sponsored events. The Assistant Secretary, with specific justification, may approve other expenses.

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- (3) Other Authorized Usages of ORR Funds.
- (a) Decorations for the officially hosted function (normally table center piece floral arrangements).
 - (b) Reasonable gratuities for services rendered by non-government personnel.
 - (c) Official communications that are made by government escort officers or interpreters related directly to the official visit.
 - (d) Entertainment specifically authorized in advance and only when the highest levels of host country officials are present. Entertainment expenses may include such activities as: the theater, sporting activities or events, concerts, and sightseeing tours.
 - (e) Taxi services and rental vehicle fees when government transportation is not provided.
 - (f) Fees for travelers' checks to support the visit or function.
 - (g) Gifts and mementos (see guidance below).
- (4) Gift and Memento Purchases Using ORR Funds. ORR Funds may be used to purchase gifts and mementos. The annual DHS Appropriations Act providing the ORR funds should be reviewed to ensure no restrictions are placed on the purchase of gifts and mementos.
- (a) Gifts and mementos must be made in the United States.
 - (b) The aggregate cost of the gift or memento presented by the TSA official to an authorized guest at the official function may not exceed the currently established "minimal value" set by the General Services Administration. The current minimal value is **\$305.00**. Reference 41 C.F.R. § 102-42.10.
 - (c) Examples of acceptable gifts or mementos are: plaques, books, commemorative items related to TSA, or other items embossed with the TSA logo. Because gifts are from the agency (TSA), items should not be personalized with the name of the presenter. The costs of wrapping paper and ribbon/bows used to prepare the gift for presentation may also be purchased with ORR funds.
 - (d) The gift or memento must be presented to the visiting dignitary, not to the spouse.
 - (e) The bulk purchase of gifts at the end of the fiscal year is not permissible, unless the purchase can be justified due to a necessary lead time or current needs.
 - (f) Other TSA officials may present ORR gifts and mementos only in exceptional circumstances and only when specifically authorized to do so by the Assistant Secretary or the Deputy Assistant Secretary.

(5) Invited Guests and Established Ratios.

- (a) Since ORR funds are specifically established to ensure that representation relationships are established and maintained primarily with host country officials and private citizens, the guest lists for representation events must meet the minimum guest ratio guidelines listed below. For purposes of guest ratios, all DHS officials (and, when appropriate, their spouses) are accounted for as TSA employees.
- (b) A detailed list of proposed attendees shall be provided during the approval process. The list must specifically identify DHS/TSA employees separately from invited dignitaries and other guests. This list must be finalized after the event to disclose the names of those who actually attended.
- (c) The desired ratio of DHS/TSA employees (including their spouses when appropriate) to authorized guests are as follows:
 - (1) For events with fewer than 30 persons, a minimum of approximately 20 percent of invited guests expected to attend should be honored or distinguished guests and members of their party; and, 80 percent may be DHS/TSA personnel.
 - (2) For events with 30 persons or more, a minimum of approximately 30 percent of the invited guests expected to attend should be honored or distinguished guests and members of their party; and, 70 percent may be DHS/TSA personnel.
 - (3) Spouses of DHS/TSA employees may be included in the official representation event when the spouses of authorized guests are invited and expected to attend, and the authorized host determines that attendance of DHS/TSA spouses is appropriate and desirable under the circumstances. When DHS/TSA spouses are authorized to attend, they are counted as "TSA employees" for purposes of the attendance ratios, above.
 - (4) For events attended by a large number of DHS/TSA employees, in excess of the desired ratios, only those DHS/TSA employees actively participating in hosting the event, or required to attend by virtue of their position, shall be considered part of the official party. All other DHS/TSA employees in attendance shall not benefit from the use of ORR funds, but will pay a pro rata share of event expenses. At all times, the desired ratios shall be maintained, unless specifically authorized by the Assistant Secretary or the Deputy Assistant Secretary.

C. Unauthorized Usages of ORR Funds. ORR Funds may not be used for the following items:

- (1) Articles of clothing (e.g., t-shirts, jackets, ties, golf shirts).
- (2) Sports equipment (e.g., golf clubs, tennis rackets, baseball bats).
- (3) Personal items (e.g., toiletries, cigarettes, hair and beauty care, shoe shines).

- (4) Holiday or greeting cards.
- (5) Gifts for DHS officials.
- (6) Reception and similar expenses in connection with a retirement or departure ceremony, except those specifically approved in advance by the DHS Secretary.
- (7) Payment of membership fees or dues.
- (8) Salary, travel, or transportation of TSA employees.
- (9) Guest telephone bills.
- (10) Meals at professional meetings when the primary beneficiaries are DHS/TSA employees.

7. PROCEDURES:

A. Processing a Request to Use ORR Funds for an Official Function or for the Purchase of Gifts/Mementos:

- (1) The requester will complete a memorandum in the format provided at Attachment A. The memorandum must provide the following information:
 - (a) The nature and purpose of the official function and, as appropriate, details on the gift/memento to be presented.
 - (b) The name and title of the dignitary/recipient. If a foreign dignitary, the country must be included.
 - (c) The date and location of the official function and, as appropriate, the date and circumstances surrounding presentation of the gift/memento.
 - (d) A listing of invited DHS/TSA employees and guests. The names and titles must be included.
 - (e) The anticipated amount of ORR funds needed (identify the cost of any gift/memento separately).
- (2) The requester will submit the completed memorandum to TSA Office of Budget and Performance to ensure funding is available.
- (3) If funding is available, the Office of Budget and Performance will annotate the ORR accounting code and sign the memorandum. The Office of Budget and Performance will in turn forward the annotated memorandum to OCC for review.
- (4) If all criteria are met, OCC will coordinate by annotating the memorandum and forward it, through channels, to the Assistant Secretary/Administrator for approval.

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- (5) If approved, the Office of the Assistant Secretary/Administrator will forward a copy of the completed form to the Office of Budget and Performance, who will maintain the copy to ensure a final voucher is submitted at the conclusion of the event.
- (6) The Office of Budget and Performance will utilize the Finance and Procurement Desktop (FPD) to process the applicable purchase request for the gift/memento.

B. Requester's Final Actions after Conclusion of the Function or Presentation of the Gift/Memento:

- (1) The preferred method of payment is the Purchase Card. However, in cases where the employee has paid for the goods or services directly, the requester will submit all vendor invoices as attachments to the SF-1164, *Claim for Reimbursement for Expenditures on Official Business*.
- (2) The original of the SF-1164 and receipts will be forwarded to the TSA accounting service provider of any required payment actions.
- (3) Copies of the SF-1164 and receipts will be forwarded to the Office of Budget and Performance.

C. Quarterly Reporting Requirements:

- (1) Quarterly, the Office of Budget and Performance will reconcile the ORR fund.
- (2) The Office of Budget and Performance will prepare a report of expenditures and available balance for the TSA CFO.
- (3) The TSA CFO will forward the report to the DHS CFO.

8. EFFECTIVE DATE AND IMPLEMENTATION: This policy is effective immediately upon signature.

APPROVAL



9/21/06

David R. Nicholson
Assistant Administrator for Finance and
Administration/Chief Financial Officer

Date

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Filing Instructions: File 200.1.1
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Point Of Contact: finance@dhs.gov or (571) 227-1437

[Letterhead]

ACTION

[Date of request]

MEMORANDUM FOR: Kip Hawley
Assistant Secretary

THROUGH: Tamara L. Miller
Special Counselor
Office of Special Counselor

FROM: [Requester]

SUBJECT: Request for Official Reception and Representation (ORR) Funds

Purpose

This memo requests approval to use official reception and representation (ORR) funds.

Background

This section provides a brief summary of nature and purpose of the official event, or gift/memento to be funded. Include, at a minimum, the following information:

- (a) The nature and purpose of the function, or the reason for a gift;*
- (b) The name and title of the dignitary to be hosted (or honored with a gift);*
- (c) The date and location of the function, or a description of the gift/memento to be purchased (to include actual value of the gift);*
- (d) A listing of invited guests, to include designation of DHS/TSA employees. Include the titles and/or status of each invitee. For gifts, describe the nature and location of the gift presentation;*
- (e) The total invited guests and the ratio of DHS/TSA employees (and guests, including spouses) to invited dignitaries (and guests, including spouses); and*
- (f) The amount of ORR funds requested and how the funds will be spent.*

Discussion

[This section provides any additional information the requester believes is important to a full assessment of the request.] As noted below, the Office of Budget and Performance has indicated that ORR funds are available and has provided the ORR Accounting Code. The Office of Chief Counsel has no legal objection to the expenditure of ORR funds for this request.

Coordination

Office of Budget and Performance: ORR funds are available to support this request. The ORR Accounting Code is _____.

Name

Date

Office of Chief Counsel: OCC has no legal objection to the expenditure of ORR funds for this request.

Name

Date

Recommendation

Here, the requester recommends approval for the use of ORR by the Assistant Secretary/Administrator

Approve _____

Modify _____

Disapprove _____

Needs more discussion _____