

**Appropriate Use of Federal Funds to Pay for Food  
New York State 21<sup>st</sup> Century Community Learning Centers**

Adapted from “Frequently Asked Questions to Assist U.S. Department of Education Grantees To Appropriately Use Federal Funds for Conferences and Meetings” May 2013

- 1. When a grantee is hosting a meeting, including workshops and special events for programs, may the grantee use Federal grant funds to pay for food, beverages, or snacks?**  
Generally, there is a very high burden of proof to show that paying for food and beverages with Federal funds is necessary to meet the goals and objectives of a Federal grant. Grantees, therefore, will have to make a compelling case that the unique circumstances they have identified would justify these costs as reasonable and necessary.
- 2. May Federal grant funds be used to pay for food and beverages during a reception or a “networking” session, including workshops and special events for programs?**  
In virtually all cases, using grant funds to pay for food and beverages for these sessions is not justified because participation in such activities is rarely necessary to achieve the purpose of the grant. Grantees, therefore, will have to make a compelling case prior to incurring the food expense that the unique circumstances they have identified would justify these costs as reasonable and necessary to meet the goals and objectives of the Federal grant.
- 3. May any food items be purchased with 21<sup>st</sup> CCLC Federal grant funds?**  
Yes. Limited food items may be purchased for special program activities such as cooking classes, field trips, and special events that are reasonable and necessary to meet the goals and objectives of the Federal grant. Grantees will have to make a compelling case prior to incurring the food expense that the unique circumstances they have identified would justify these costs as reasonable and necessary.
- 4. May indirect cost funds be used to pay for food and beverages?**  
The cost of food and beverages, because they are easily associated with a specific cost objective, such as a 21<sup>st</sup> CCLC grant, are properly treated as direct costs, rather than indirect costs. As noted above, Federal grant funds cannot be used to pay for food and beverages unless doing so is reasonable and necessary.
- 5. May a grantee use non-Federal resources (e.g., State or local resources) to pay for food or beverages at a meeting, workshop or culminating event that is being held to meet the goals and objectives of its grant?**  
If non-Federal funds are used to pay for food at a grantee-sponsored convening, the grantee should make clear through a written disclaimer or announcement (e.g., a note on the agenda for the meeting) that Federal grant funds were not used to pay for the cost of the food or beverages. Grantees should also be sure that any food and beverages provided with non-Federal funds are appropriate for the grantee event, and do not detract from the event’s purpose.
- 6. May Federal grant funds be used to pay for alcoholic beverages?**  
No. Use of Federal grant funds to pay for the cost of alcoholic beverages is strictly prohibited.
- 7. May Federal grant funds be used to pay for entertainment?**  
Federal grant funds may not be used to pay for entertainment, which includes costs for amusement, diversion, and social activities.
- 8. What are the consequences of using Federal grant funds on unallowable expenses?**  
The Department may seek to recover any Federal grant funds identified, in an audit or through program monitoring, as having been used for unallowable costs, including unallowable conference expenses.