Office of the CFO

PPS Finance Administration

MEMO

TO: ALL PPS EMPLOYEES

FROM: YOUSEF AWWAD, CHIEF FINANCIAL OFFICER

DATE: FEBRUARY 2, 2016

RE: **BEST PRACTICE GUIDANCE FOR SPENDING PUBLIC FUNDS - PURCHASING AND ACCOUNTS PAYABLE**

This guidance is issued to clarify and reinforce District policies, state laws and Oregon Government Ethic Commission rules regarding food, beverage and meal purchases, gift cards, fundraising activities and gifts.

Food and Beverages While Traveling: Employees are eligible to receive a per diem for meals that they have to pay for while traveling. Food and beverages cannot be charged to the district P-Card while participating in District approved travel. Once travel is completed, employees should complete the Travel Training Reimbursement Form. *http://inside.pps.k12.or.us/forms-processes/143.htm*. If travel related meals are charged on a P-Card, the amount charged will either be deducted from the employee's travel reimbursements or the employee will be required to reimburse the District.

***Meals, Refreshments and Beverages**: According to the accounting manuals issued by the State of Oregon and the District Board Policy 8.30.010-P:

Instances when District funds **may not** be used for Meals, Refreshments and Beverages:

a. District funds may not be used to provide refreshments for *regularly scheduled* staff meetings.
b. District funds may not be used to provide refreshments for office social events such as celebrating holidays or birthdays.
c. District funds may not be used to provide refreshments for voluntary social events (either off-site or in the office) such as agency-sponsored retirement celebrations.

Instances when District funds **may** be used for Meals, Refreshments and Beverages:

a. Purchases of food, meals, and catering may be purchased for legitimate business purposes only.
    1) Meals are defined as food provided at a customary time or occasion for eating (i.e. breakfast, lunch, dinner). Meals are generally more extensive than snacks.
    2) Refreshments such as a beverage and/or pastry are considered snack items when provided at times not generally a customary mealtime.
b. District funds may be used for meals for District employees if an Administrator schedules a working lunch, training session, and or workshop involving district business or if a group works through a meal period and no meal break is provided.
c. District funds may be used for refreshments for District employees at the discretion of the Administrator if the Administrator schedules a mandatory meeting for staff during or outside of the normal work day.

d. Administrators may, at their discretion, purchase nominal food and drink for meetings involving members of the community who are voluntarily assisting the District in its mission. For example, it is appropriate to provide lunch or dinner for a committee meeting that is scheduled over a mealtime.
e. **Administrators are expected to exercise prudent and appropriate judgment in the expenditure of District funds for food or drink.**
f. Grant funds are subject to the same guidelines as outlined in this policy. However, food and drink may be purchased with grant funds when the event requiring the refreshments was included in the grant proposal and approved by the granting agency.

*__REQUIRED DOCUMENTATION__: For each food and/or beverage purchase the following information must be included with your **itemized** receipt:

- Agenda
  - Location
  - Business purpose of meeting/event
  - Date
- *Sign-in sheet
  - Names of all attendees including both PPS Employees and/or Non-Employees

  ***Exception**: As approved by Accounts Payable. i.e. Leadership, PTA nights.

NEW-*Missing Receipt* forms are **not allowed** in lieu of original receipts. In the case where the original receipts are not recovered and submitted, staff will be responsible for the expense.

Gift Cards: According to the IRS, Gift Cards are equivalent to cash and accordingly considered wages that are subject to taxation. Therefore, Gift Cards may not be purchased with District funds unless approved (in writing) by the Chief Financial Officer**.**

Fundraising: Funds raised for school district activities by school district employees are considered District funds and are required to be accounted for according to District cash handling policies. (http://www.pps.net/cms/lib8/OR01913224/Centricity/Domain/209/Cash%20Handling%20Guidelines%202.1.16.pdf) Any supplies or equipment purchased by employees using District funds are the property of the school district and the school or building for which it was purchased. Fundraising for personal use using the District or school's name is considered a violation of Oregon Ethics Law (ORS244). Funds raised for staff events or to celebrate personal activities (e.g. birthdays, retirements, and baby showers) must be managed by staff personally and cannot be co-mingled with school district funds.

Gifts: **It is prohibited to use District funds to purchase gifts for staff**. According to Oregon ethics rules (ORS244.040), gifts to employees are considered financial benefits. Financial benefits are included in employee's contracts, if they are not included in their contracts, they are not allowable. This includes flowers, holiday and birthday gifts or cards. These items must be paid for by staff with personal funds.

District employees are subject to the Oregon Government Ethics Commission rules.