



# Culver CITY

## ADMINISTRATIVE PROCEDURE NUMBER 2014-AP001

Effective Date: 11/25/2014

**Subject:** Appropriate Use of City Funds for Employee Recognition

**Source/Authority:** City Manager

**Purpose:**

To define when it is appropriate to use City funds to provide gifts, meals, or other recognition/celebratory events to City employees.

**Procedure:**

There are occasions upon which the City may want to recognize staff for outstanding work performance, major work-related milestones (e.g. retirement), holiday celebrations, and other work-related achievements. It is the expectation that such expenditures will translate into a happier, more productive workplace and will add value to the organization. However, this must be accomplished with the understanding that City employees have a certain fiduciary responsibility and are accountable for the appropriate use of public funds and work time. Therefore, any expenditures for the provision of benefits within this category must be budgeted, comply with this Administrative Procedure and other related City policies, and be approved by the City Manager or his/her designee.

Expenditures of City funds for the following types of benefits are commonly provided to employees in public organizations to aid in recruitment of personnel, promote improvement of staff morale and cooperation, and assist in building a commitment to the City:

1. Mementoes for recognition of service milestones with the City.
2. Retirement appreciation function to recognize retiring employees.
3. Recognition gift upon the retirement of an employee.
4. Recognition gift upon the end of service by a City Council Member.
5. Food and refreshments for City Council and staff during City Council meetings, business meetings, and various recognition/celebratory events.

Although intended to be comprehensive, every circumstance cannot be anticipated within this Administrative Procedure. When deciding whether it is appropriate to pay an expenditure not specifically addressed, staff must consider the spirit of this Administrative Procedure and ensure that every expenditure is an appropriate use of City funds. As such, all departments are expected to use good judgment in the use of public funds and must receive City Manager (or designee) approval prior to planning activities.

City funds may only be used for employee gifts, meals, celebrations and/or recognition events when the City Council has allocated a department budget line item which specifically includes funds for such activities. Any gift item (e.g. flowers, fruit basket, plaque, street sign, etc.) provided under this Administrative Procedure shall not be a gift-card, must be a non-cash item, and shall not exceed \$100. Whenever possible, efforts should be made to spend funds at a Culver City business.

#### **Appropriate Use of City Funds:**

The following categories of expenditures are considered to be an appropriate use of City funds, provided funds have been appropriated by the City Council in the Adopted Budget and staff has received prior authorization from the City Manager or designee.

**City Council Recognition: City Employees.** At times, awards or tokens of recognition are appropriate for presentation to City staff in recognition of exemplary service. City awards or tokens of recognition shall be determined by the City Council and/or the City Manager or designee in advance. City funds should *not* be used for the purchase of department level staff awards or tokens of recognition, unless previously authorized by the City Council and/or City Manager.

**City Council Recognition: Non-City Employees.** At times, awards are appropriate for presentation to residents (e.g., volunteers) or external organizations. Appropriate external awards or tokens of recognition shall be determined by the City Council and/or the City Manager in advance.

**Promotional Items.** City funds may be used to purchase small-value promotional items, such as lapel pins, pens, candy, key rings, t-shirts, etc., imprinted with the City name or logo, to be given away in conjunction with the City's marketing/promotional efforts.

**Employee Recognition Events.** City funds may be used to provide food and light refreshments for events that recognize an employee's retirement or the superior achievement of an employee, division, or department when:

1. The employee is favorably retiring after more than 10 years of service with the City, or the City Manager has approved recognition of an employee, division, or department for a superior achievement; and,

2. The event is open to all members of the employee's division, department, entire City, and/or the public; and,
3. The dollar amount of the expenditure does not exceed the City Council approved budget for recognition events.

**Holiday Receptions.** City funds may be used to provide food and light refreshments for a holiday reception when:

1. The reception is for a holiday officially recognized by the City in the applicable Memorandum of Understanding; and,
2. The event is open to all members of the division, department, entire City, and/or the public; and,
3. The dollar amount of the expenditure does not exceed the City Council approved budget for holiday receptions.

**Employee Gifts.** City funds may only be used to purchase gifts for employees when the gift is a non-cash item with a value of less than \$100 and is authorized by the City Council or City Manager or designee. Voluntary collections from staff would be an acceptable way of purchasing employee gifts.

**Business Meals.** Meals and snacks are normally a personal expense. Any meal or snack paid for with City funds must be a reasonable price and an integral part of employment duties. The purchase of meals or refreshments for City business meetings is permitted only when the meeting includes:

1. Participants who are non-City employees who are necessary for the business purpose of the meeting; or
2. Employees from more than one City department who are necessary for the business purpose of the meeting and when authorized by the City Manager.

**City Council Meeting Meals.** The City Council meets at a time that is intended to be convenient for the general public. Meetings routinely span the normal dinner hour. Serving meals of reasonable value to Council Members and staff required to attend Council meetings is considered an appropriate expense.

**Staff Retreats, Workshops, and Training.** City funds may be used to provide lunch and/or refreshments for staff retreats, workshops, and training when the retreat, workshop, or training spans at least five hours, and when it would be disruptive to the success of the event if employees dispersed for lunch or breaks.

**Light Refreshments, Public Areas.** In some cases, a building or part of a building is routinely open to the public for conducting City business. Having refreshments of nominal value available to members of the public, such as coffee and other light

snacks/beverages, are considered a courtesy and are authorized in these specific locations.

**Bottled Water, Field Staff.** City funds may be used to provide bottled water to City staff working outdoors during extreme heat, as required by the Occupational Safety and Hazards Administration.

**Kitchen Appliances.** Microwaves, refrigerators, coffee pots, toaster ovens and other similar equipment items may be procured with City funds for use in public reception areas and employee break rooms accessible to all employees. Otherwise, these items must be purchased with personal funds.

**Floral Arrangements.** The use of City funds for the purchase of flowers is restricted to the few occasions where a public expression of sympathy or congratulations has been determined by the City Council or the City Manager to be in the best interests of the City.

#### **Inappropriate Use of City Funds:**

It is not appropriate to use City funds in recognition of non work-related achievement or events such as weddings, birthdays, baby showers, etc. If individuals wish to recognize these events, they may do so by using personal funds on non-city work time. The following categories of expenditures are not considered to be an appropriate use of City funds, unless previously authorized by the City Council or the City Manager.

**Alcohol.** The purchase of alcohol is never an acceptable use of City funds.

**Light Refreshments, Non-Public Areas.** Coffee and other beverages, including bottled water, are normally a personal expense. A voluntary collection can be made from those who desire to have coffee and other beverages in their work area.

**Employee Break Room Supplies.** City funds should not be used to stock supplies such as plastic ware and paper products in employee break rooms. A voluntary collection can be made from those who desire to have such supplies. Minimal personal usage of City supplies is acceptable.

**Personal Employee Events.** City funds may not be used to provide food or refreshments for events of a personal nature, such as baby showers, wedding showers, birthdays, etc. Voluntary collections from staff would be an acceptable way of providing food or refreshments for personal events.

**Holiday Decorations.** Office holiday decorations and holiday cards shall not be purchased with public funds.

#### **Approvals and Processes:**

All events/activities/expenditures included in this Administrative Procedure as an "Appropriate Use of City Funds" may be procured by way of the City's normal purchasing procedures, as set forth in the Purchasing Ordinance (CCMC Section 3.07.005-095) and related Administrative Procedure (2011-AP001). When appropriate, items may also be procured using a City Purchasing Card, as set forth in the Purchasing Card Policy (City Council Policy 4209).

For the categories of Employee Recognition Events, Holiday Receptions and Employee Gifts, any costs paid by the City are to be charged to object code 517850 – Recognition Events. Each department shall be provided an annual appropriation equivalent to \$30 for each full-time equivalent budgeted position. Other object codes shall not be used for such events, nor shall budget transfers from other object codes into the Recognition Events object code be permitted unless extenuating circumstances exist that are specifically approved by the City Manager. If the cost of such events throughout the fiscal year exceed the amount appropriated, a department should solicit employee donations for the excess.

The items that require prior approval or authorization by the City Council or City Manager, or designee, shall secure such approval or authorization in writing (i.e. an e-mail or memo from the City Manager or designee) and shall submit the written authorization with the procurement documents (e.g. Requisition, Purchase Card Activity Statement, etc.).

All events/activities/expenditures must comply with all applicable City policies, including but not limited to, the City's Purchasing Policy, Purchase Card Policy, Travel and Expense Reimbursement Policy, etc.

Approved:   
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John M. Nachbar  
City Manager

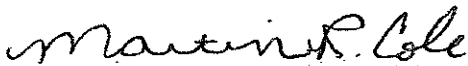
Date: 11/25/14

## STATEMENT OF ATTESTATION AND FILING

I, Martin R. Cole, duly acting and appointed City Clerk of the City of Culver City hereby attest that the signature above is of the City Manager of the City of Culver City, that this Administrative Procedure is hereby assigned the Administrative Procedure Number 2014-AP001, and that I have distributed this Administrative Procedure to the following:

All City Staff

The original Administrative Procedure has been filed in the Office of the City Clerk and an electronic copy has been placed on the City's Intranet (SWAMI).



Martin R. Cole, MPA  
City Clerk

25 NOV 2014

Date