



Intradistrict Communication

DATE: September 2, 2015

TO: All Administrators and Financial Secretaries

FROM: Dr. Patrice A. Johnson, Superintendent of Schools 
John Larsen, Business Administrator 

SUBJECT: Discretionary Funds 2015-16

Please share this information with your financial secretary.

Again this year, principals and directors may spend up to \$50 per full-time equivalent staff member per budget year for employee food, gifts, incentives, etc.

Prior written (e-mail is fine) approval from your Cabinet-level supervisor is required for these expenditures. Please submit this pre-approval with the check request.

Monies for these expenditures should come from within your existing budgets. These expenditures should be coded only to the following account codes:

- Schools should utilize their school checkbook for these costs coding these expenditures to 21 E xxx 2002 1090 639. Schools should do an annual transfer from (debit) 21 Q xxx yyyy 9859 888 where “yyyy” represents a non-restricted program (antenna, vending, pictures, school fundraisers, etc.) into (credit) the Staff Appreciation Account 21 Q xxx 2002 9859 888 for the \$50 per FTE (both certified and classified). In order to bring the balance for the new year to the \$50/FTE calculation, the transfer should be reduced by any remaining amount from the prior year. This will give the school its “budget” to spend and the mechanism to track use of these funds.
 - Any school not having adequate non-restricted checkbook funds may utilize their district supply allocation by coding the costs to 10 E xxx 0050 1090 639. Non-restricted checkbook funds should be used first.
- District departments may spend up to \$30 per FTE (both certified and classified). The other \$20 is withheld for building level functions (e.g. winter or spring socials). District departments will code these expenditures to their existing budgets under object code 639. If a district department feels they cannot take the funds from their existing budget, the department director should seek an alternative through Cabinet and the Business Administrator.

Cautions/Reminders:

- The restrictions against gift-cards, paying employees cash or cash-equivalents, etc. still exist and must be followed in order for the District to comply with IRS guidelines.
- District departments should not have separate bank accounts for these purposes or other purposes.
- These expenditures are authorized for all staff members under your responsibility and authority. Please be fair and make sure each employee receives equitable treatment (e.g. custodians, food service workers, aides, etc.).
- You should submit appropriate documentation with the check request (e.g. Cabinet-level supervisor pre-approval, recipient list, expenditure amounts, original receipts, statement of purpose, type of expenditure). All expenditure and back-up materials must be readily and clearly available for both auditing and public transparency purposes.
- You should not use other funds, including grants or donations, to supplement (enhance) these types of expenditures. An average of \$50 per full-time equivalent employee is the annual maximum amount authorized for food, gifts, and incentive expenditures.
- These funds are for business purposes (i.e. staff meals, parent-teacher conference meals, employment socials, team-building activities, job-well done or thank you acknowledgements, etc.), **not** for personal gifts (wedding, Christmas, birthday, Secretary's Day, etc.).
- You should not use these funds for taking staff out to restaurants.
- If hosting other Jordan School District employees (employees not in your building or department) and you are serving food/treats for a meeting, those costs should come out of this \$50 authorization.
- These authorized amounts are intended to be spent in the current year and may not be carried forward from one year to the next.

If you have any questions about the appropriateness of a planned expenditure, review it with your Cabinet-level supervisor.