

POLICY

Use of Funds for Hospitality & Food Accounts

By Authority: City Administrator

Established: October 2019

Revised: August 13, 2025

I. Purpose

- a) Justifiable operational expenditures promote employee needs, normalize inclusion, and nurture organizational excellence. One way in which the City may approach this goal is to provide opportunities to express appreciation to employees. In an effort to provide departments with some modest flexibility in this regard, funds are budgeted in the Hospitality and Events Account within each department.
- b) Additionally, the City recognizes that from time to time, it is necessary and/or appropriate to provide food for employees during the regular course of their job duties. Such circumstances should be rare in occasion and primarily reserved for instances when job duties prevent employees from utilizing typical break periods for meals.
- The purpose of this policy is to establish guidelines for the acceptable use of City funds budgeted in the **Hospitality and Events Account (Object 531310)** and the **Food Account (Object 531315)**. This policy does not apply to food expenditures associated with the Mayor and Council.

II. General Guidance

- All City employees shall adhere to the following general guidelines regarding the use of all City funds:
 - Ensure that the use of City funds are in the best interest of the City
 - Use professional judgment and discretion at all times when utilizing City funds
 - Ensure that expenditures are reasonable, necessary, and in keeping with our responsibility as a custodian of public funds
 - All requirements of the P-card Policy apply when a City p-card is utilized
- City funds must be used only to support City business in accordance with the City Charter, Federal and State Law, Adopted Budget, and City Ordinances.
- Any expenditures deemed excessive or ineligible will not be reimbursed by the City and will be the responsibility of the employee who incurred the cost.
- Employees will be held accountable for all purchases made using City funds. The expenditure of City funds made by an employee that is not in accordance with this policy may be grounds for disciplinary actions, up to and including possible termination.
- Judgment should reflect both the practical needs of the department and the expectations of stewardship.
- Operational considerations are central to determining when hospitality and food-related expenses are appropriate.
- Expenditures should demonstrate alignment with City policy and be reasonable in both purpose and amount.
- The purchase of food and/or non-alcoholic beverages is allowable under the following circumstances:

- **External:** Food and/or non-alcoholic beverages provided as part of a program or service to the community or other external party, including items for resale, will be paid from the department's **Supplies Account (Object 531105 or 531115)**.
 - Examples may include Recreation & Parks programming (such as concessions, rentals, and recreation programs) as well as special informational or educational events, meetings, and/or open houses held for the benefit of the community with prior approval of the Department Director.
- **Internal:**
 - **Official City Business:** Food and/or non-alcoholic beverages provided to employees in the course of official City business will be paid from the department's **Food Account** and shall be governed by the guidelines included in this policy.
 - **Employee Appreciation:** Food, non-alcoholic beverages, and other expenses for the purposes of employee appreciation will be paid from the department's **Hospitality & Events Account** and shall be governed by the guidelines included in this policy.

III. Hospitality & Events Account (Employee Appreciation) - Policy Guidelines

- a) Departments may utilize Hospitality and Events Account funds for the following types of expenditures:
 - Employee retirement and going away receptions for employees with at least five years of service to the City of Roswell
 - New employee welcome events
 - Departmental celebrations
 - Holiday events
 - Flowers and/or similar modest tokens associated with bereavement, hospitalization, and births
- b) Funds may be used to purchase items in support of the events listed in Subsection A. This may include food, non-alcoholic drinks, supplies (such as cups, plates, utensils), and where appropriate, modest tokens of acknowledgment or appreciation that are associated with retirements, resignations, bereavements, hospitalizations, and births (such as greeting cards, plaques, flowers, and similar items).
- c) Expenditures are limited to the amount budgeted in the Hospitality and Events Account and shall be approved by the Department Director or his/her designee prior to the purchase.
- d) Other departmental line items shall not be used in order to exceed the budgeted amount.
- e) The Hospitality and Events Account should not be used for items specifically budgeted for in other line items.
- f) Employee contributions may be used to pay or offset the cost of these events and are not required to be recorded in the City's accounting records.
- g) Hospitality and Events Account funds shall not be used as additional compensation (e.g., bonuses, cash, gifts, gift cards, prizes, awards).
- h) Hospitality and Events Account funds are not required to be used for official employee functions or events that are recognized City-wide, such as Employee Service Awards, Administration/Finance Appreciation Week, Public Works Week, Employee Benefits Fair,

or other similar types of events that are more formal in nature.

IV. Food Account (Official City Business) - Policy Guidelines

- a) City funds may be used for food and/or non-alcoholic beverages provided to employees in the course of official City business in the following circumstances:
 - Meetings hosted by the City Administrator.
 - A meeting during regularly scheduled business hours, authorized by a department director, which is anticipated to last more than four hours or is scheduled through normal meal times.
 - Emergency or extraordinary circumstances in which personnel are required to work unplanned/unscheduled shifts for extended periods of time.
 - Meals that are an integral part of a scheduled meeting at which the individual is required to attend.
 - Business Meals defined as meals for the purpose of discussing official City business with prior approval of the Department Director. Although allowable, City employees should exercise professional judgment regarding the need for and frequency of business meals.
- b) Receipts provided for food expenses shall be itemized and detail the purpose of the meeting/use and, for business meals, must include the people who were present.
 - Gratuity at restaurants may be included at a maximum amount of 15%.
 - Sales tax is not required to be excluded for restaurant purchases, but employees are not precluded from making such an attempt.
- c) Food and beverages used for personal consumption by City employees in any other circumstances must be paid for by City employees.

V. Coffee, Tea, & Other Beverages

- a) City funds may be used to provide approved non-alcoholic beverages and related supplies for employee consumption in the course of day to day business.
 - i. Approved Beverages
 - 1. Coffee
 - 2. Tea
 - 3. Hot Chocolate
 - 4. Water (Excluding water bottles)
- b) Beverages provided by the City will be purchased to ensure the best value is being obtained with City funds.
 - i. Consideration should be given to purchase beverages that have broad appeal and avoid catering to personal preferences.
 - ii. All other related purchases (tea, hot chocolate, supplies) should be reasonable in nature and price.
- c) The **purchase and maintenance of coffee machines** are the responsibility of each department. Coffee machine purchases should be reasonable in nature and provide basic functionality to brew coffee and may also function to provide hot water. The size and features of the machine should be consistent with the number of employees that it serves. Larger offices may require a commercial-grade machine while smaller offices may function with a basic model. Departments should consider other features, such as

dedicated water lines or number of burners, when determining the model to be purchased.

- d) Due to the fact that these purchases may support a variety of functions (internal and external) and based on prior practice, Departments should continue charging coffee and related supplies to the **Supplies Account (531105)** in Munis.

DocuSigned by:

City Administrator Approval: _____


Randy Knighton

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Date: 8/20/2025