

Cedar Rapids Community School District

Appropriate Use of Public Funds Policy

Public Purpose

District funds are to be expended only for legitimate public purposes and not for private personal gain for which services of comparable value have not been rendered to the District. This is a requirement of the Iowa Constitution.

All funds received by the District are considered public funds and must be used to support the educational mission of the District. The best test to use when determining whether the expenditure is appropriate is called the “public scrutiny test.” The test is simple and merely asks whether the tax-paying public would view the expenditure as necessary to support public education. **If you are already questioning whether the expenditure is appropriate, it may very well not be appropriate.** Contact your supervisor if you have any questions about appropriate expenses.

Listed are examples of acceptable expenditures of District funds for District officers, directors, employees, and volunteers, as these are commonly granted benefits in public and private organizations which aid in recruitment of personnel, promote improvement of staff morale and cooperation, and assist in building a commitment to the District, thus assisting in creating a more productive learning environment. The following are awards or tokens from the District; NOT from the department or building level:

1. mementoes from the District for employee recognition for service to the District
2. District retirement appreciation function and or item to recognize retiring employees
3. recognition item upon the end of service by a Board member
4. volunteer appreciation; District event
5. food items and refreshments for Board members and staff during Board meetings and / or work sessions
6. food items and refreshments for Board committees or superintendent committees during meeting

District awards or tokens of recognition shall be determined by the School Board and/or the Superintendent or designee in advance and shall be paid for with “central” District funds under the control of the Superintendent or designee. Public funds should not be used for the purchase of department or building level staff awards or tokens of recognition.

Sales Tax Exempt

Cedar Rapids Community School District is Iowa sales tax exempt. All items purchased by a public school for the school’s own use, qualify for an exemption from sales tax if the items purchased relate to the educational process. When making purchases inform the vendor that the purchase is sales tax exempt. The tax exempt number is 57-024028. If the vendor requests a tax exemption form, they can request it directly from the Purchasing Department. The school district will not reimburse for sales tax paid on purchases made on behalf of the school district.

Cedar Rapids Community School District Appropriate Use of Public Funds Policy

When purchasing meals, an effort must be made to have the meal purchase tax exempt. Inform the restaurant before the order is placed that you are with the Cedar Rapids School District and that the purchase should be sales tax exempt. If the restaurant is unable to comply and the purchase is within the district meal limits (Board Regulation 705.1), the purchase will be an appropriate expense for reimbursement.

Examples of Appropriate and Inappropriate Use of Public Monies

This section identifies specific practices and procedures to be followed by all District employees when using public funds. The following list is intended to provide examples and may not be all inclusive.

I. Food and Refreshments

A. Alcohol

The purchase of alcohol is never an acceptable use of public monies.

B. Meetings and Conferences

Meals and snacks are normally a personal expense. Any meal or snack paid for with public funds must be a reasonable price and an integral part of employment duties.

Meals and snacks can be paid for with public funds if:

- A. The meeting is four (4) hours or more and separate breaks would be disruptive to the meeting objectives.
- B. The meeting is a breakfast, lunch or dinner meeting where the meeting is shorter than four hours in duration and attendance during meal time(s) is a requirement of an employee's job duties.

The number of District employees in attendance for this meeting where food is provided must be noted on the receipt. All food receipts must be itemized – this includes catered meals.

C. Coffee and Beverages

Coffee and other beverages are normally a personal expense. A voluntary collection can be made from those who desire to have coffee and other beverages in the school/department. Except for meetings and conferences (Item B), public areas (Item G), and School Board meetings (Item H), coffee and beverages shall not be purchased with public funds.

D. Employee Break Room Supplies

Public 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.

E. Individual Receptions

Receptions for individual employees should never be paid from public funds. This includes retirement dinners, staff meals, welcome aboard receptions, and similar gatherings where food and/or refreshments may be served. Voluntary collections can be taken from those attending such gatherings.

Cedar Rapids Community School District Appropriate Use of Public Funds Policy

F. Acceptable Occasions

The School Board and/or Superintendent may determine that the serving of food or refreshments is appropriate for selected occasions. The annual retirement reception for all District employees is one example.

G. Public Areas

In some cases, a building or part of a building is routinely open to the public for conducting District business. The Superintendent's Office and school principals' offices are such locations. Having refreshments of nominal value available to members of the public, such as coffee and other nominal snacks/beverages, are considered a courtesy and are authorized in these specific locations.

H. School Board Meetings

The School Board 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 Board members and staff required to attend Board meetings is considered an appropriate expense.

I. Student Incentives

Incentives purchased for qualifying groups of students from public funds as part of an initiative, program, or recognition (e.g., rewards, honor roll) shall be of nominal value and authorized by the school principal.

II. Gifts

A. Employee Gifts

Expenditures of public funds for gifts, or gift cards to staff and employees are not authorized. This includes gifts purchased for staff birthdays or other personal occasions. Voluntary collections from staff would be an acceptable way of purchasing employee gifts.

B. Tokens/Clothing

The purchase of tokens of appreciation, or personal clothing (e.g., coffee mugs, pens, tote bags, T-shirts/apparel, etc.) is not authorized.

III. Flowers

A. Sympathy and Congratulations

The use of public 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 School Board or the Superintendent to be in the best interests of the District. Personal donations can be made in lieu of flowers if requested by the family. Written expressions of condolence are encouraged for all other occasions where flowers are not appropriate.

B. Individual Achievements

Unless they are part of the award ceremony, flowers are not appropriate for individual achievements. Graduations have been an exception to this provision.

Cedar Rapids Community School District Appropriate Use of Public Funds Policy

C. School Activities

Flowers/decorations purchased for proms, dances, homecomings, etc., may be purchased out of school activity funds, if authorized by the school principal.

IV. Awards and Recognition

A. District Awards and Recognition

At times, awards or tokens of recognition are appropriate for presentation to District staff in recognition of service. District awards or tokens of recognition shall be determined by the School Board and/or the Superintendent or designee in advance and shall be paid for with “central” District funds under the control of the Superintendent or designee. Public funds should not be used for the purchase of department or building level staff awards or tokens of recognition.

B. External Awards and Recognition

At times, awards are appropriate for presentation to people (e.g., volunteers) or organizations external to the District. External awards or tokens of recognition shall be determined by the School Board and/or the Superintendent in advance.

V. Break Room Equipment

Microwaves, refrigerators, coffee pots, toaster ovens and other similar equipment items may be procured with public funds for use in public reception areas and employee break rooms. Otherwise, these items must be purchased with personal funds. In all instances, all fire marshal safety restrictions must be observed. These items are not authorized in classrooms and offices.

VI. Holiday Parties, Decorations and Cards

A. Holiday Decorations

Office holiday decorations shall not be purchased with public funds.

B. Holiday Cards

Holiday cards shall not be purchased with public funds.

C. Holiday Parties

Staff holiday parties and meals are a personal expense. Voluntary collections may be taken to fund holiday events. Public funds shall not be used for holiday parties.

VII. Student Activity Funds

Student Activity Funds are public funds and are to be used to finance a program of co-curricular school activities supplementing, but not replacing, the activities provided by the District. Student Activity Funds are derived from the student body as a whole and shall be so expended to benefit the student body as a whole. General principles governing the appropriate use and management of Student Activity Funds is found within the District’s Secondary School Activity Fund Accounting Manual at the following link:

<http://www.cr.k12.ia.us/departments-services/accounting/>

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