

Department of Administrative Services - State Accounting Enterprise

Section	Procedure Number	Page Number	Effective Date
PRE-AUDIT	220.350	1 of 2	May 1, 2011
Subject	EMPLOYEE EXPENSES EMPLOYEE PRODUCTIVITY AND RECOGNITION		

1. AWARDS

Employee recognition programs, including recognition for longevity, must have the approval of the Department Head, appointing authority, or designee, and follow applicable State and Federal Regulations. Programs may also include the recognition for service and contributions of board members and appointed advisory groups of the departments. However, this program is not intended to pay for plaques for employees, board, commission, and appointed advisory groups just because they are leaving their positions. See Procedure 220.351 for allowable expenses for retiring employees. This policy and its limitations do not apply to the Governor's Recognition Awards. The following types of awards are allowable:

- a. **EMPLOYEE PRODUCTIVITY RECOGNITION.** Employee recognition awards, such as "employee of the month", health and safety awards, project completion awards, and similar recognition for service and productivity, are allowable expenses. Examples of such approved awards include stamped coffee cups, individual wall plaques, engraved desk sets, caps, tee shirts, framed certificates, or similar items that can be used to recognize the efforts of employees for performance. Gift certificates, savings bonds, and cash payments are not an allowable expense under this program.
- b. **LONGEVITY RECOGNITION.** Longevity awards given to employees shall be limited to frames and certificates. However, longevity recognition for twenty-five years or more of service to the State may be covered under 1.a, above.
- c. To ensure uniformity in the scope of employee recognition across all departments of State government, total cost of recognition programs must be limited to a maximum expenditure per fiscal year that does not exceed \$10.00 per employee multiplied by the number of FTE's of the department as determined by information available through the Payroll System.

The limit for an employee recognition award to a single individual is \$50.00 per year. The \$50.00 per year per individual limit may not be supplemented with outside contributions. A State Department includes all of its Boards, Commissions, Advisory Groups, and Divisions.
- d. Photography costs associated with monthly recognition of an employee are allowable. These may include the purchase of film, commercial processing costs, and enlargements.
- e. Recognition expenses under this program must be charged to Object Code 2834.
- f. Expenses for employee recognition must be paid on a General Accounting Expenditure (GAX). The GAX must contain the name(s) of the employee(s) involved. If this is unknown, a notation to that effect must be included on the claim.

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- g. Costs related to receptions such as cookies, punch, and associated paper products are considered to be personal expenses and are not an allowable expense.

2. NEWSLETTERS

Departmental newsletters published to distribute information concerning departmental operating policies and procedures, enhance employee morale, and promote the operational efficiency of the department are an appropriate expenditure of public funds.