

FINANCE PROCEDURE MANUAL	TITLE: Foundation – Prohibited Expenditures	
	NUMBER: FIN-GRF-012	VERSION: 01
	ISSUED DATE: 1/12/2010	REVISION DATE: 2/12/2013

➤ **Purpose:**

To identify expenditures that are prohibited by Statute, College policy, and/or established practices.

➤ **Definitions:**

Prohibited Expenditure: Expenditures that are prohibited by the College or Foundation.

➤ **Responsibility:**

Foundation Executive Director: Approves all expenditures.

➤ **Procedure Details:**

1. Examples of prohibited expenses:

- No payment can be made from a Foundation fund directly to any college employee. The Foundation will reimburse the College for payment it authorizes, and the employee will be paid through the College payroll department. This ensures that withholding taxes are recovered from the employee on all Foundation funded payments.
- Expenditures whose primary purpose is the convenience of faculty and staff
 - a. Purchase of food for screening committee consumption during recruitment.
 - b. Purchase of refrigerators, microwave ovens, and other kitchen-related items.
- Payments to businesses or individuals for specific services rendered must be made directly to that party and not as reimbursement to a College employee.
- Payment to political campaigns/lobbying costs.

- Flowers.
- Decorative items (including lamps).
- Trophies, plaques – following State Accounting guidelines recognition awards are only allowed as part of an annual recognition ceremony that is meaningful to the entire college.
- First Aid Kits (the exception is first aid kits required by law for programs such as Criminal Justice, Fire, EMT, EMS/Paramedics).
- Promotional Items.
- Kleenex (unless it is used in the classroom as a teaching item).
- Garbage cans (this item is provided by the Facilities Department).
- Cleaning Items (hand sanitizer, cleaning supplies [other than monitor screen cleaners and phone cleaners], vacuum cleaners, Swiffers, Brooms, mops, etc.).

2. Exceptions to the above Prohibited Expenditures:

- There are purposes permitted by the College for the professional development that are limited to full-time staff. College policy, however, does not permit the spending of funds from this source for adjunct and clinical faculty. Through policy and custom, such expenditures are permitted for adjunct and clinical faculty from the Foundation. The limitations on amounts and uses for such expenditures are the same as they would be for full-time faculty receiving support from College sources.
- Certain food purchases are prohibited from the College but are allowed through the Foundation.
- Direct unrestricted donations for community agencies are not permitted. However, it is recognized that the College needs to maintain relationships with a number of agencies and programs in the community and that on occasion; disbursements may be made in accordance with the process described above for support for a program or activity that advances the College's education and service missions.

➤ **References:**

Accounting Manual for Florida's College System:

http://www.palmbeachstate.edu/finance/Documents/State_of_FL_Acctg_Manual.pdf

Budget Booklet: <http://www.palmbeachstate.edu/finance/Offices/budget/>

SBE Rules: 69I-40.103

<https://www.flrules.org/gateway/ruleno.asp?id=69I-40.103>