

**COUNTY OF TULARE  
OFFICE OF THE COUNTY ADMINISTRATOR**

**ADMINISTRATIVE REGULATION NO. 40  
(Resolution No. 2011-0859)**

**SUBJECT: EMPLOYEE APPRECIATION**

EFFECTIVE DATE: December 6, 2011

**PURPOSE AND SCOPE**

This regulation provides a policy on employee appreciation. The employees of the County of Tulare (County) are its most valued asset and are essential to the operation of its services. It is important to recognize and demonstrate appreciation of the efforts put forth by County employees. Such recognition and demonstrations of appreciation encourages continuous improvement, responsiveness and the ability to embrace change. The Board of Supervisors believes that providing such items or events is an effective way to recruit, retain, and recognize the County workforce.

Under this policy, each department may act to improve the work environment, enhance employee morale, and show genuine appreciation for all the hard work and dedication of County employees.

This policy is separate and apart from that established whereby the County recognizes employees for length of service.

**POLICY**

The County has a strong public interest in retaining high-caliber employees. Department Heads are encouraged to acknowledge employees for their accomplishments and their contributions to the success of the County both inside and outside of their area(s) of direct responsibility, which may include funding limited employee appreciation items and/or events. County funds should be used within budget constraints and may be used to pay for appropriate items and/or an approved event, including but not limited to:

- food and refreshments for staff , including catering and related items, such as plates, cups, utensils;
- items provided to employees to commemorate service to the County; or
- services provided at an approved event.

Items and events not covered under this policy include: religious holiday parties; food or refreshments regularly provided for staff; flowers, cards, or other items

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provided for a seriously ill employee; general staff parties (e.g., baby showers, birthdays, etc.); new employee receptions; retiree's party or retiree's gift; cash awards or cash equivalent gift cards/certificates; alcoholic beverages or other items and events not approved by the County Administrative Officer (CAO).

**PROCEDURE**

1. **Allowable Amount.** The amount of funds used per Department must not exceed \$10.00 per full time employee (FTE) per year. The number of FTE's per department will be that number as it appears in the "FY Adopted " column of the Position Allocation section of the Adopted Budget as approved by the Board of Supervisors. Changes to the number of FTE's per department during the fiscal year will not be considered.
2. **Responsibilities of Department Head.** Each item purchased or event hosted pursuant to this policy must be approved by the Department Head in writing.
  - a. In approving the purchase of such items or hosting such events, the Department Head shall consider the cost, benefit to the department, availability of funds, and other less costly alternatives.
  - b. The time, date, and location of an event held pursuant to this policy shall be determined by the Department Head or his/her designee.
  - c. Any costs not in accordance with the guidelines set forth in this policy or which exceed the department's annual appropriation shall not be approved for payment. Supporting documents provided to the Auditor's Office will include a statement by the Department Head that the costs incurred are related to items and/or events held pursuant to the County Employee Appreciation Policy, and a list of recipients and/or attendees in addition to the documentation normally required by the Auditor's Office.
  - d. Any costs that exceed the budgeted appropriation will be the responsibility of the Department Head.
3. **Budget Approval.** Each department may include in their annual budget, a line item entitled "Employee Appreciation," not to exceed the allowable amount.
  - a. Once the budget is approved, departments can charge against their Employee Appreciation appropriation in accordance with the requirements and restrictions set forth in this policy. Any questions regarding claims made under this policy shall be directed to the Department Head.
  - b. Departments are responsible for tracking charges against their Employee Appreciation appropriation and will be required by the Auditor's Office to

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submit a report of all Employee Appreciation expenditures/expenses to date when any claim or request for payment is made. The Auditor's Office will not process requests that exceed the department's Employee Appreciation appropriation.

**4. Other Considerations.**

- a. Events must be open to all Division/Unit/Department employees.
- b. Attendance by employees at an event shall be voluntary. Attendance outside regular working hours will not be considered compensable. Mileage to/from an event will not be reimbursable, even if during employee's regular working hours.
- c. Items purchased cannot exceed the \$10.00 limit for any single employee.
- d. Items purchased and events hosted are subject to state and federal limitations on process and taxability. The County complies with all applicable IRS rules and regulations.
  - i. Internal Revenue Service Rules and Regulations stipulate for employees that any gift of cash, a gift certificate, or cash equivalent, including items which are easily converted to cash, must be included in the recipient's gross income as salary or wages, regardless of the amount involved.
  - ii. Internal Revenue Code section 132 states that de minimis fringe benefits provided to employees are not includable in employee's taxable income. A de minimis fringe benefit is any property or service of minimal value and provided on an infrequent basis by the employer or to the employee.
  - iii. 2 CFR, Appendix B of Part 225, section 13 states that "...expenses incurred in accordance with the governmental unit's established practice or custom for the improvement of working conditions, employer-employee relations, employee morale, and employee performance are allowable."
- c. Purchases that fall into areas that require interpretation of appropriate use of funds shall be submitted to the County Administrative Officer for review and approval in advance of any transaction.
- d. There is no option to increase an appropriation beyond the stated limit within a fiscal year.