

HB 3646 Changes to Activity (Public) Funds Spending

1) STAFF DEVELOPMENT AND DISTRICT MEETINGS

- Light refreshments may be integrated as part of a staff development or district meeting (including a meeting involving the community), so long as they are provided during the meeting and are made available or served in order to more efficiently conduct the meeting.
 - For instance, refreshments may be served at an extended meeting if the refreshments are light and presented for consumption during the meeting. An example of light refreshments would include: coffee, water, soda, fruit juice, cookies, popcorn, snack mix, donuts, cinnamon rolls, snack pastries and/or snack breads. The following are not light refreshments: regular or finger sandwiches, pizza, kolaches or breakfast tacos. The meeting refreshments may include a small variety of items, but should not resemble a buffet.
- Light meals may be integrated as part of a staff development training or district meeting (including a meeting involving the community), so long as the meal is provided during the training or meeting and is made available or served in order to more efficiently conduct the meeting.
 - For example, a boxed lunch may be served during an in-service training if the price-per-participant for the meal meets district guidelines (see below), and the meal is part of a working lunch that allows participants to remain at the training, rather than being allowed to leave for a lunch break. The agenda for the meeting should indicate the time of the meeting and a notation of the “working lunch” or “working breakfast.” The agenda will need to be maintained with the purchase order for the meal and retained in accordance with our record retention policy.
 - ◆ The District has established a guideline for the cost of a meeting meal to be a maximum price of \$8.00 per participant, exclusive of tax and gratuity (if applicable).
- Examples of previous expenditures of activity (public) funds that continue to be permissible under the HB 3646:
 - New staff in-service breakfast;
 - Student Teacher Orientation Welcome Breakfast;
 - Light refreshments following Spotlight Teacher Board meeting;
 - Light refreshments during an employee service recognition;
 - Light refreshments during a school-wide meeting celebrating a milestone (25th anniversary or a new school dedication);
 - Light refreshments during after school staff meetings;
 - Light refreshments during student/parent events such as Donuts for Dads and Muffins for Moms;
 - Light refreshments during PTO meetings;
 - Light refreshments during CPOC meetings; and
 - Light meal during district-wide meetings that last 4 hours or longer.

2) APPRECIATION LUNCHEONS

HB 3646 Changes to Activity (Public) Funds Spending

- Luncheons or dinners that are not associated with meetings or other district business are no longer permissible under the spending provisions of HB 3646, unless they are funded through donated funds (donor must specify in writing donation is for this purpose). HOWEVER, luncheons funded from hospitality accounts or donated funds designated for this purpose are permissible expenditures.
- Examples of previous expenditures of activity (public) funds that are no longer permissible under the HB 3646 changes to spending authority:
 - Teacher/staff appreciation breakfasts and luncheons purchased with public funds (Public Activity or General Fund) and not served as part of a meeting or in-service training;
 - VIPS Appreciation Luncheon purchased with public funds;
 - Faculty annual chili cook-off, crawfish boil, family fun night, etc., if purchased with public funds (Public Activity or General Fund);
 - Principals' Holiday Luncheon and door prizes, if purchased with public funds (Public Activity or General Fund); and
 - Employee Service Banquet, if purchased with public funds (Public Activity or General Fund).

3) GIFTS TO EMPLOYEES OR COMMUNITY MEMBERS

- Gifts to employees not associated with an employment obligation or expectation are no longer permissible in most circumstances under the spending provisions of HB 3646.
- Examples of previous expenditures of activity (public) funds that continue to be permissible under the HB 3646 changes to spending authority:
 - Teacher/Staff spirit or faculty shirts if teachers/staff are required to wear these items during certain activities (Meet the Teacher, Curriculum Night, or Friday Spirit Days);
 - Employee lanyards for ID badges because all employees are required to wear ID badges during work;
 - Teacher/Staff items for the classroom such as paperclip holders, tote bags, end of day note holders or clipboards, or classroom flashlights (needed in case of power outages); and
 - De minimis tokens of service recognition or special awards, such as service pins, recognition plaques, and small retirement corsages or gifts (clock or bowl).
- Examples of previous expenditures of activity (public) funds that are no longer permissible under the HB 3646 changes to spending authority:
 - Door prizes at staff development that are funded by public funds (i.e., gift card to Starbucks);
 - Teacher lounge seasonal perks—popcorn, crock pots of soup or chili for super bowl or school football playoffs, coffee, creamer, napkins, plates, small candy incentives, etc. if funded by public funds; and
 - Staff cards for birthdays, loss of loved ones, hospital/funeral flowers, if purchased from public funds (HOWEVER, these items may be purchased from a hospitality account whose funds are

HB 3646 Changes to Activity (Public) Funds Spending

generated solely from donations from staff because these funds are considered “agency funds” and not activity (public) funds).

4) GIFTS TO STUDENTS

- Gifts to students when associated with an educational purpose or need are permissible under the spending provisions of HB 3646. (Keep in mind, that gifts and prizes for students should generally be something for which all students have the opportunity to qualify. For instance, a drawing for students qualifying for perfect attendance.)
- Examples of previous expenditures of activity (public) funds that continue to be permissible under the HB 3646 changes to spending authority:
 - Donations to ALC/ABC/Carlton/Windfern/ROPES;
 - Economically disadvantaged student summer school scholarships;
 - Donations to SRC;
 - Student incentive items for PBIS/TAKS (i.e. Smartest pencils, pizza parties to celebrate exemplary test results);
 - Building modifications (library/kindergarten reading lofts);
 - Door prizes for students in activities to encourage student attendance;
 - Student gifts for recognition of achievement;
 - Superintendent’s Student Leadership Conference;
 - BIZTOWN Programs; and
 - School Supplies Fund for economically disadvantaged and at-risk students.

5) SOURCES OF OUTSIDE INCOME: ACTIVITY (PUBLIC) OR AGENCY FUNDS?

- Livestock show proceeds- Agency.
- Houston Chronicle rebate and recycling (district wide) - Activity (Public).
- Grocery and retail store rebate programs back to schools-Activity (Public).
- Student portrait commissions-Activity (Public).
- ***Vending machine proceeds – staff use only/lounge - Agency.***
- Vending machine proceeds – band hall, gym, etc. – Activity (Public)
- No vending machine proceeds (***except for faculty lounge vending proceeds***) may be deposited in an Agency account.
- “Fee” paid by staff to wear jeans an extra day – Agency (Hospitality)
- Student Group fundraiser income (i.e. Student Council) - Agency.
- School-wide fundraiser income (School sponsored) - Activity (Public).
- Corporate grants- i.e. Exxon Mobile; Wal-Mart- Activity (Public).
- Bus advertising- Activity (Public).
- Football stadium advertising (programs) - Activity (Public).
- Vendors’ Fair booth fees from FIDS Job Fair- Activity (Public).
- Private monetary gifts to schools for specific purposes (for mascots, library books, software reading programs, spirit murals)- Agency