


**TO** DEPUTY SECRETARIES OF ADMINISTRATION AND FISCAL OFFICERS  
**FROM** Uri Monson, Secretary of the Budget   
**DATE** May 13, 2024  
**RE** Purchase of Food and Promotional Items

**MESSAGE:**

This memo is being issued to provide guidance on existing policies related to the purchase of promotional items and food. This document defines employees as those persons employed under the Administrative Code of 1929 and not in travel status. Employees in travel status should follow the applicable [travel policy](#).

Employees are strongly discouraged from expending their own funds and seeking reimbursement for food purchases except in instances where the expense is in accordance with a collective bargaining agreement, or the employee is in travel status. While reimbursement may be allowable, it is not guaranteed and could be delayed by the invoice approval processes at the Bureau of Payable Services (BPS) and Treasury.

Agencies should continue to be good stewards of public funds. Agencies must ensure that the expense is an allowable use of funding used, the unit cost is low, and that all applicable procurement and programmatic laws, regulations, and policies are followed.

The purchase of apparel is considered a promotional item except where specified below.

**For external recipients**

- Increasing awareness for an agency program or service with a direct benefit to the agency.
  - The purchase of promotional items is allowable if the agency can demonstrate how this outreach directly supports the agency accomplishing its statutorily-defined mission or duties.
  - Purchases greater than the small, no-bid threshold should be reviewed with Commonwealth Media Services (CMS) in advance in accordance with [Management Directive 220.01](#)
- Increasing awareness for a program, service, or issue without a direct benefit to the agency.
  - The purchases of promotional items are not allowable and the use of a grant should be explored in accordance with [Management Directive 305.20](#).
- Increasing sales for a revenue producing agency.
  - The purchase of promotional items should be funded by the revenue generating Fund and not the agency's General Government Operations (GGO) Fund.
  - Purchases greater than the small, no-bid threshold should be reviewed with Commonwealth Media Services (CMS) in advance in accordance with [Management Directive 220.01](#)
- Refreshments
  - Agency may expend funds for refreshments, where appropriate, for certain meetings or events related to the agency program that include dignitaries and other non-Commonwealth employees and is an allowable use of the funding source. Costs for refreshments must be reasonable and cannot include alcohol.

When expenses related to the purchase of refreshments are submitted for payment or if support is requested as part of the monthly Purchasing Card post-audit, the following

supporting documentation must be Purpose of the meeting and an agenda.

- Location and duration of the meeting with start and end times.
- Justification for providing refreshments. Justification should support the appropriateness of using agency funds.
- Itemization of food purchased.
- Confirmation that it is an allowable use of funding source.
- List of attendees and organizations represented.

### **For prospective employees**

- Recruitment of employee candidates.
  - The purchase of promotional items to be given to prospective employees at recruitment events and job fairs is allowable if they support agency recruitment programs in accordance with [Management Directive 505.7](#).

### **For current employees**

- Increase SECA participation within an agency.
  - The use of agency budget for SECA-related expense is prohibited by [Management Directive 530.23](#). Recognition for work on the SECA campaign falls under the “Recognition of an achievement of an employee or team” category below.
  - Agency budgets cannot be used to purchase food for SECA events and activities per [Management Directive 530.23](#). Food may be purchased or an employee reimbursed for a food purchase associated with a SECA event by money raised through SECA fundraising activities.
- Recognition of achievement of an employee or team.
  - Purchases used for employee recognition are allowable per [Management Directive 505.23](#). This directive stipulates it is for recognition of an accomplishment and not as an incentive to accomplish something in the future.
  - Agencies may expend funds for a luncheon or dinner for an employee recognition event in accordance with [Management Directive 505.23](#). The recognition event could be for an achievement, accomplishment, or an awards ceremony, and it should adhere to the agency’s Employee Recognition Program.
- Uniforms or apparel for employees
  - Purchases of uniforms or apparel for an employee are allowable if stipulated in a collective bargaining agreement or other binding agreement.
  - Employees may purchase logoed/branded apparel or merchandise with their personal funds. These purchases should be made at cost unless as a fundraiser. Any profits from the sale of these items should go towards the agency’s SECA campaign or other permissible employee organization.
- Conference or Event
  - Agencies may expend funds for employee meals at a conference or event hosted by the agency when the employee is not in travel status. Agencies must procure through the [Conference & Event ITQ](#) (currently 440018736) as applicable.
- Working meals
  - Agencies may expend funds for a working meal if it is an allowable use of the funding source. The meal must be served at the location of the meeting and should be procured through UniqueSource, where applicable, or the [Catering Services ITQ](#) (currently 4400022367). Working meals should be limited to situations where there is sufficient

justification for not breaking for a meal.

When expenses related to a working meal are submitted for payment or if support is requested as part of the monthly Purchasing Card post-audit, the following supporting documentation must be provided:

- Purpose of the meeting and an agenda.
  - Location and duration of the meeting with start and end times.
  - Justification for hosting a working meal.
  - Itemization of food purchased.
  - Confirmation that it is an allowable use of funding source.
  - List of Commonwealth employees in attendance. The Employee Number of any staff in overnight travel status is required.
  - List of non-Commonwealth employees in attendance.
- Refreshments
    - Agencies may expend budget for bottled water and water cooler rental procured through the Bottled Water statewide contract (currently 4400024676) if it is an allowable use of the funds.
    - Agencies cannot expend budget for refreshments for a meeting or event if all attendees are Commonwealth employees nor can agency funding be expended for holiday parties. Refreshments can be provided for these events using a potluck model or through donation by management staff.
    - Other expenses or employee reimbursements that are in accordance with the applicable collective bargaining agreement are allowable.

### **Related purchases for other purposes**

- Purchase of promotional items or food for any use case not defined above.
  - Agencies interested in using promotional items or purchasing food in a manner that does not align with the guidance in this memo shall receive approval from the Office of the Budget **before** procuring these items. These requests should be emailed to [RA-AgencySvcProcure@pa.gov](mailto:RA-AgencySvcProcure@pa.gov).
    - Requests for approval must include:
      - Purpose of the purchase
      - The goods/services being purchased
      - Estimated per unit and total cost
      - Recipients
      - Funding source
      - Justification and anticipated benefits to the agency
      - Time frame and frequency

Questions about this guidance should be directed to Eric Locke, Director of Payable Services at 717-265-7265 or [elocke@pa.gov](mailto:elocke@pa.gov).