

FAP 120-23-00
USE OF PUBLIC FUNDS

1. Expenditures of public funds shall only be allowed for carrying out the statutory responsibilities of the agency. Expenditures shall be reasonable in amount, beneficial to the public and not personal in nature.
2. The following shall be used to determine if the expenditure of public funds is appropriate:
 - a. The expenditure shall be deemed necessary for the statutorily defined function of the agency or will contribute materially to the effective accomplishment of the agency's function, and is not otherwise prohibited by law;
 - b. The expenditure does not conflict with established Attorney General Opinions, the Commonwealth's Constitution, the Kentucky Revised Statutes, or any agency's official interpretation of same; and
 - c. The expenditure shall be afforded by allotted budgetary funds in both intent and amount.
3. The following are examples of unallowable uses of public funds:
 - a. Alcoholic beverages, except for when an agency holds an alcoholic beverage license. An additional exception would be if alcoholic beverages were purchased for a statutorily-defined function of that agency;
 - b. Beverages for employees, including coffee, bottled or filtered water, etc. An exception to this would be providing water for outdoor work crew and at public meetings;
 - c. Donations, in accordance with Kentucky Constitution Section 177. An exception of this would be surplus property procedure expenditures;
 - d. Employee parties, including retirement receptions;
 - e. Employee recognition/retirement gifts. An exception would be an inexpensive plaque with no resale value;
 - f. Flowers;
 - g. Holiday cards;
 - h. Holiday decorations, except for those purchased to decorate parks and institutional lobbies, dining rooms and patient recreational areas;
 - i. Kitchen appliances for employee use, except for those installed as a permanent fixture of the building; and
 - j. Paper products, utensils, and dishes for employee use.

Relates to: KRS 45.237; KRS 45.242; KRS 45.244; KRS 45.251;
KRS 45.301; KRS 45.306 and 200 KAR 38.070