

Circular No.39

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Ministry of Finance & the Public Service
(Public Service Establishment Division)
30 National Heroes Circle
Kingston 4

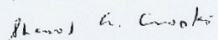
November 7, 2008

**Permanent Secretaries
Heads of Departments
and Other Public Bodies**

**Discretionary Expenditure For Staff Functions,
Awards and Staff Welfare**

The provisions for discretionary expenditure for staff functions, awards and staff welfare were last reviewed in 2006/07. In light of increasing costs and the policy relating to rewards and recognition under the Performance Management and Appraisal System (PMAS) it has become necessary to upgrade the provisions. In this regard the existing policy and new provisions are set out in this circular.

2. With effect from April 1, 2008, the expenditure will be capped at a minimum of \$100,000 to a maximum of \$4000 per employee to cover staff welfare activities during a financial year.
3. Please be reminded that the following guidelines are applicable to this form of discretionary expenditure.
 - i. Heads of Government Agencies may authorize the expenditure from public funds towards the cost of social functions and activities for staff.
 - ii. Permissible events include Christmas or other holiday get-togethers, fun-days, games evenings, flowers for births, deaths, and major anniversaries, awards and awards functions, recognition of retirees, incentive or recognition schemes, staff retreats, sports and similar activities.
 - iii. Any proposed expenditure over and above the limit must have the prior approval of the Ministry of Finance & the Public Service and requests for such approvals must be accompanied by satisfactory justification. Unjustified overruns will not be entertained.
4. Permanent Secretaries should ensure that these guidelines are followed within their Ministries, Departments and portfolio public bodies. In any case of doubt or difficulty this Ministry should be consulted before commitments are made.


Sharon Crooks (Mrs.)
Financial Secretary