



ANY REPLY OR SUBSEQUENT REFERENCE SHOULD BE  
ADDRESSED TO THE **FINANCIAL SECRETARY** AND THE  
FOLLOWING REFERENCE NUMBER QUOTED:-  
Telephone No. 92-28600-16  
Website: <http://www.mof.gov.jm>  
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## MINISTRY OF FINANCE & THE PUBLIC SERVICE

### *Strategic Human Resource Management Division*

30 NATIONAL HEROES CIRCLE  
P.O. BOX 512  
KINGSTON 4  
JAMAICA

#### **Circular No. 25**

**Ref. No. 12550/1**

November 11, 2018

To: Permanent Secretaries  
Heads of Departments  
Office of the Services Commission  
Agencies and Public Bodies

#### **Discretionary Expenditure for Staff Functions, Awards and Staff Welfare**

The provision for discretionary expenditure for staff functions, awards and staff welfare was last reviewed in 2012/2013. While costs have increased in relation to rewards and recognition under the Performance Management Appraisal System (PMAS), as well as other staff welfare expenditure, the current budgetary arrangements do not allow for any increase in the provision at this time.

2. Please note the following guidelines which are to be observed going forward:

- (i) Government/Employer contributions for staff welfare activities including Christmas functions will remain at **\$5,000.00** per employee for the **2018/2019** financial year subject to a total annual expenditure of **\$4,000,000.00** or a maximum expenditure of **\$100,000.00** in instances where the \$5,000.00 per employee would amount to less than \$100,000.
- (ii) With effect from April 1, 2019 Government/Employer contribution for the **2019/2020 financial year** for staff welfare activities including Christmas functions is to be set at :
  - (a) a maximum of **\$7,000.00** per employee, subject to a total annual expenditure cap of **\$6,000,000.00** for entities with staff complement below 2000 or

- (b) a maximum of **\$7,000.00** per employee, subject to a total annual expenditure cap of **\$8,000,000.00** for entities with staff complement above 2000 or
- (c) a maximum expenditure of **\$150,000.00** in instances where the \$7,000.00 per employee would amount to less than \$150,000.

The proposed expenditure within the limit should be included in the respective Head of Estimate.

- (iii) Heads of Government Agencies may authorize the expenditure from public funds towards the cost of social functions and activities for staff.
- (iv) 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.
- (v) Any proposed expenditure over and above the limit must have the prior approval of the Ministry of Finance and the Public Service and request for such approvals must be accompanied by satisfactory justification. Unjustified overruns will not be entertained.

3. All Ministries, Departments, Agencies and other Public Bodies are required to abide by these guidelines. In any case of doubt or difficulty, the Strategic Human Resource Management Division (Employee Welfare Management Unit) of the Ministry of Finance and the Public Service should be consulted before commitments are made.



Darlene Morrison  
Financial Secretary (Acting)