

Food, drink and gift card guidelines for NCR-funded organizations

Introduction

Food is an engagement tool for many community organizations. The use of public funds for food has limitations and falls under Minnesota's public purpose doctrine. These guidelines provide direction on allowable expenditures of public funds for food and beverage purchases to organizations that are receiving funds through the Neighborhoods 2020 Program and select other Neighborhood and Community Relations Department (NCR) programs, as determined by the NCR Director. Before seeking to spend public funds on food and beverages, organizations should consider donations or whether non-public funds may instead be used to make the purchase.

These guidelines also prohibit the use of public funds to purchase gift cards or gift certificates.

Allowable food and drink expenses

You can buy food and drink with public funds if it meets all three of these criteria:

- It is allowed in the contract between your organization and City.
- It passes Minnesota's public purpose test.
- It is part of a public outreach program.

Minnesota's public purpose test

To buy food and drink with public funds, it has to pass Minnesota's public purpose test. To pass this test, it should meet all of these criteria:

- The expense is authorized by statute or charter provision.
- The expense will benefit the community as a whole and not a private interest.
- The expense directly relates to the functions of government.

Public outreach program criteria

If your activity is a public outreach program, it should meet all of these criteria:

- The activity is primarily intended to engage the public in the work of the organization.
- The activity is open to all Minneapolis residents.
- The activity is for the public's benefit and most participants are not City employees, board members or staff of the organization.
- The activity has a structured agenda, and all attendees can take part in the discussion at that meeting.

Food and drink for everyday activities like your board, committee or staff meetings are not eligible expenses. Additionally, alcohol is never an allowed expense.

Limitations based on funding source

Organizations have access to programs with a variety of funding sources. This policy is specific to those NCR programs funded through the City's General Fund.

It's strictly prohibited to use Neighborhood Revitalization Program (NRP) funds for food and drink by state law. These guidelines do not alter, change or replace the State NRP Law's restrictions. If you are not sure if your activity for a funding activity is from NRP, reach out to your neighborhood support specialist.

Limit on amount

The spending limits for this policy follow the City's [Food and Beverage Procedure](#). The limit per-person will be set as the Standard Rate for Lunch. It is currently \$20 per person. This amount includes all service or gratuity fees charged.

Total amount spent on food and drink may not exceed 5% of the total amount contracted for this program.

Food and drink expenses must be pre-approved

In your funding application, your organization will have to explain how buying food and drink will help you to engage your communities. Your application should include all of these points:

- A full list of activities or programs for which you plan to buy food and drink and explanations of how each activity or program will help you engage communities.
- The public purpose explanation for each.
- The estimated number of attendees at each.
- The proposed expenses on food or drink for each.

You have to request funds from NCR for food and drink at least 15 days before your event. NCR will process requests within five business days. If the food and drink cost will be \$500 or less, an NCR neighborhood support specialist can approve the expense. They will send you their approval in writing.

You have to keep this written approval in your records. You will submit it with your request for reimbursement.

If your request is over \$2,000, your organization must submit your request to NCR at least 20 days before the event. NCR will provide a response within ten business days.

Gift cards policy

Because of legal and financial rules, you cannot buy gift cards nor gift certificates for any purpose using City funds.