



# Minnesota Management & Budget Statewide Operating Policy

Minnesota Management and Budget, Accounting Services  
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## Department Head Expenses

### Objective

To provide guidelines for expenditures that can be included in the department head expense category per [Minnesota Statute 15A.081, Subdivision 8](https://www.revisor.leg.state.mn.us/statutes/?id=15A.081) (https://www.revisor.leg.state.mn.us/statutes/?id=15A.081) and [Minnesota Statute 15A.0815, subdivision 2 and 3](https://www.revisor.leg.state.mn.us/statutes/?id=15A.0815) (https://www.revisor.leg.state.mn.us/statutes/?id=15A.0815).

### Policy

Certain state department heads are authorized to budget up to \$1,500 per year of appropriated monies to pay certain expenses related to their positions in accordance with the guidelines established by the Commissioner of MMB; see Minnesota Statute 15A.0815, subdivision 2 for the allowed department heads. The department head expense account is not an unlimited personal expense account; rather, it is one that permits the payment of expenses necessary to the assigned duties and responsibilities of the department head. All expenditures must have a public purpose and stand the test of public scrutiny.

Department head expenses shall be coded in SWIFT to Account 430019 and in SEMA4 to Earnings Code DHE. Agency personnel are responsible for tracking the department head expenses to ensure the \$1,500 limit is not exceeded per fiscal year. This tracking should follow the records management policy and conform to the Department Head Expenditure Information of the Retention Schedule.

### Examples of allowable expenses are:

- Meals and related expenses when conducting business with foreign, federal, state or local government officials, including boards, citizens, and task forces.
- Small food items (such as coffee and cake) at receptions where service awards are presented, retiring employees are honored, or similar events that affect employee morale.

### Examples of unallowable expenses are:

- Any purchases of alcohol are not allowed.
- Licenses that are required as a term or condition of employment.
- Furniture or office supplies.
- Membership in a private club.

### Related Policies and Procedures

[MMB Statewide Operating Policy 0109-01 Records Management](http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-1/0109-01-records-management-policy.docx) (http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-1/0109-01-records-management-policy.docx)

[MMB – Statewide Accounting Records Retention Schedule](http://mn.gov/mmb/accounting/swift/record-retention/index.jsp) (<http://mn.gov/mmb/accounting/swift/record-retention/index.jsp>)