

Kentucky Department for Libraries and Archives  
Trustee Tip: November 2017  
To Gift or Not to Gift: Bonuses, Christmas Gifts and Holiday Conundrums

When the holiday season rolls around, we're accustomed to using that time to show our appreciation for others. It's no wonder, then, that library trustees often ask what the board can do at Christmas for library staff, while staff members in turn wonder how to show their appreciation for trustees. Before you choose that full turkey feast or Christmas bonus, it's good to know what Kentucky statutes say about giving gifts to public employees and library trustees.

### **What the Law Says**

Kentucky's Constitution and statutes dictate how public funds can be dispersed, and what public employees and trustees of library boards can or cannot receive from these public funds. Some pertinent examples in the law include:

- Kentucky Revised Statute stating that all funds which a library district controls are public funds, regardless of the source (KRS 446.010).
- Kentucky's Constitution, which reads that "no grant of exclusive, separate public emoluments or privileges shall be made to any man or set of men, except in consideration of public services."
- Attorney General's opinions that have historically contended that public funds or privileges can only be expended for public use, e.g. in a way that benefits the taxpayer (OAG 84-161; OAG 79-509; OAG 79-67).
- Kentucky Revised Statutes that state that library trustees shall not receive a salary or other compensation for their services (KRS 173.340, 173.510, 173.740; 173.360).

### **What This Means For Library Boards and Employees**

The giving of gifts or bonuses to employees or volunteers appears to be contrary to the law, so far as giving gifts for the individual enrichment is concerned.

Although a library district cannot award bonuses or give outright gifts to individuals, there are ways for libraries to show their employees and volunteers their appreciation.

The library district could host or purchase a group meal for employees and trustees, so long as the cost is reasonable (no filet mignon!) and so long as the meal is intended only staff, volunteers and trustees. Likewise, a library could purchase t-shirts or sweatshirts with the library's logo or some other nominal library-related item.

Expenditures such as these should be part of a staff/volunteer development plan, intended to further the mission of the library while also improving/sustaining morale.

*This Trustee Tip is not intended as legal advice. If you feel you need legal advice, please consult an attorney.*