



Purchasing TIP #20

Gratuity and Delivery Fee Charges

We are hoping to provide information about gratuity (tip) and delivery fees being assessed by vendors on food items being delivered to campuses and department buildings throughout the district. Gratuity is tip given for services provided. Fees and charges for items delivered by a food servicing vendor must be verified. Below are additional guidelines:

- Vendors delivering food to your location may charge a service or delivery fee which is an allowable expense, if approved by the budget manager of the funds being used.
- Delivery fees may range from \$3.00 - \$20.00.
- Gratuities (tipping) range of 10% up to 15% for food charges, are allowable if approved by the budget manager of the funds being used. Tipping over 15% is **not allowed**.
- Catered events typically have a gratuity charge already accessed so please verify before adding an additional amount.
- **Gratuity charges are not allowed with Federal and State Funds.**

Something to note: *approved vendor – Occasionally, a vendor may be found on the approved vendor list that has not been used in several years. The vendor is considered dormant and may simply need updated documents for reactivation (if applicable). You will not know this fact by looking at the vendor list. If this is the case Purchasing will request updated documents from the vendor. The vendor might choose to not submit the documents and we will notify you if this occurs.

- Things to consider before using District Funds in general ...
 - Does it serve a public purpose?
 - Is it approved by the fund – Budget Manager
 - Is it reasonable and prudent?
 - Can it withstand public scrutiny?