



## District Business and Advisory Services

Bulletin: 26-013

Date: November 17, 2025

To: District Chief Business Officers  
District Fiscal Directors

From: Susan Ady, Director, District Business Services

Re: Clarification of Gift of Public Funds

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As a reminder, all Local Education Agencies (LEAs) are prohibited by law from using public funds for expenditures that do not benefit the education of their students. California [Government Code section 8314](#) and the California Constitution [Article XVI Section 6](#) prohibit the gift of public funds to any individual, corporation, or other government agency.

Questions have arisen about the type of expenditure that constitutes a gift of public funds. In an effort to provide guidance, we are sharing a 2018 Fiscal Crises & Management Assistance Team (FCMAT) presentation titled To Gift or Not to Gift, presented in partnership with the California Association of School Business Officials (CASBO). Please click on [this link](#) to view the full presentation. The presentation lists some expenditures that may be considered a gift of public funds, such as:

- Meals provided at a social gathering in recognition of Teacher's Appreciation Day, Administrative Assistants Day, etc.
- Donations to Non-Profit organizations
- Presents or gifts to anyone, including staff and students
- Holiday or other staff parties

Please feel free to contact me at (408) 453-6883 or your District Business Advisor with any questions.

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|--------------|----------------|
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*Please distribute this memo within your District as deemed appropriate.*