



MINNEHAHA CREEK
WATERSHED DISTRICT
QUALITY OF WATER, QUALITY OF LIFE

Meeting: Board of Managers
Meeting date: 10/9/2025
Agenda Item #: 7.3
Item type: Consent

Title: Approval of MCWD Employee Logo Wear and Merchandise Purchase Policy

Resolution number: 25-056

Prepared by: Name: Deb Johnson, Office Manager
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Reviewed by: Chuck Holtman, Smith Partners

Recommended action: Approval at the October 9, 2025 Board Meeting

Purpose:

The purpose of the proposed District logo wear and merchandise policy is to provide staff with guidance for the purchase of District-branded items. As described in the proposed policy, staff's wearing of such apparel serves District purposes including increasing District visibility, identifying District representatives and conveying a sense of professionalism.

To advance these District purposes, the District Administrator proposes a District contribution to staff for the purchase of apparel and merchandise. The Administrator is proposing that the District contribute up to \$100 per year per employee for the purchase of items in the District catalog. Employees may supplement this contribution with their own additional funds on purchases as they choose.

Because the merchandise is suitable for wear in a non-work setting, the IRS deems the District's contribution to employee purchases to be taxable income to the employee. Accordingly, the District will report as such on the employee's W-2 form.

The policy does not address Personal Protective Equipment (PPE), which is provided separately by the District as required for certain staff positions or assignments. PPE is not considered employee income.

Supporting documents:

Draft Logo Wear and Merchandise Purchase Policy for Employees



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RESOLUTION

Resolution number: 25-056

Title: Approval of MCWD Employee Logo Wear and Merchandise Purchase Policy

WHEREAS, staff wearing of apparel bearing the Minnehaha Creek Watershed District name or logo advances District purposes including increasing the District's visibility, identifying staff as representing the District, and presenting a sense of professionalism;

WHEREAS, the District Board of Managers therefore wishes to provide an allowance for staff to purchase District-approved logo wear clothing and merchandise;

WHEREAS, the proposed policy provides for a District contribution of \$100 per year for employee purchase of clothing or merchandise from the District catalog, with the contribution to be considered as additional employee income as IRS requirements should specify;

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby adopts the MCWD employee logo wear and merchandise purchase policy.

Resolution Number 25-056 was moved by Manager _____, seconded by Manager _____.

Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions.

Date: 10/9/2025

Secretary

Date: _____

Minnehaha Creek Watershed District

Logo Wear and Merchandise Purchase Policy for Employees

Approved 10.09.2025

Purpose:

There may be instances when it is desirable for an employee to wear apparel featuring the District's logo as part of their job responsibilities. This ensures visibility, professionalism, and clear identification when representing the District in various settings. An employee may wish to wear logo apparel for purposes including but not limited to:

- *Conferences, Seminars, & Public Events* – Representing the District at events, networking functions, or meetings.
- *Public Interaction* – Employees interacting with residents, business owners or other stakeholders may need logo apparel for accessibility and approachability.
- *Safety and Security Reasons* - Conducting site visits or field operations may require employees to be easily identifiable as District representatives.

Purchasing Guidance and IRS Rules

To support employees in obtaining logo-branded apparel and merchandise, the District has curated a catalog of approved options to ensure brand consistency. (Options are available for viewing via the Logo Wear [Smartsheet](#). Staff are welcome to add suggestions to the sheet, which will be considered for future addition to the catalog.)

While logo apparel serves a functional purpose it is also suitable for general wear outside of work. As a result, the Internal Revenue Service (IRS) classifies it as a taxable fringe benefit. (See [IRS Fringe Benefit Guide: Work Clothes and Uniform Allowances and Reimbursements](#).)

Policy Summary

- The District will provide a taxable allowance of \$100 per calendar year.
- Use of the allowance for an item purchase will be processed as taxable income in the amount of the allowance used, once the item is received, and will be reflected in the appropriate box on staff's W-2.
- Purchasing logo apparel or merchandise is optional, with employees only being taxed on that amount of the allowance that they choose to use in making a purchase.
- If an employee selects apparel and merchandise exceeding the \$100 District allowance, the excess cost will be deducted from the staff's paycheck as a miscellaneous deduction, or a future reimbursement request will be reduced by the appropriate amount.
- This allowance does not apply to logo-branded apparel or equipment required for safety purposes (Personal Protective Equipment or PPE), which is provided separately by the District as required for certain staff positions. This apparel or equipment is not considered as taxable income and will not be reported on the employee's W-2.