



POLICY TITLE	Employee Appreciation and Recognition (Gifts and Rewards)	Policy Number	211
Section	Financial Affairs and Development	Approval Date	June 11, 2008
Subsection	General Financial Policies	Effective Date	June 11, 2008
Responsible Office	Office of the Vice President of Finance and Administration		

1.0 PURPOSE

1.1 The purpose of the *Employee Appreciation and Recognition* policy is to delineate appropriate and inappropriate gifts for recognition and appreciation that supervisors can use to reward exemplary performance and increase and/or maintain motivation, morale and productivity.

2.0 REFERENCES

2.1 IRS FAQs for government entities regarding De Minimis Fringe Benefits

2.4 Utah Code §67-16-5 (3) (a)

2.1 UVU Policy 201 *General Fiscal Policies and Procedures*

2.2 UVU Policy 203 *Purchasing*

3.0 DEFINITIONS

3.1 **Cash and cash-equivalent gift certificates:** An item which is easily converted to cash.

3.2 **Restricted or non-negotiable gift certificates:** An item that can only be redeemed with the issuer and cannot be cashed out, sold to another person, or used to reduce an outstanding account balance with the issuer of the certificate.

4.0 POLICY

4.1 The University allows the use of university funds for limited recognition and appreciation gifts to be awarded to employees.

4.2 Supervisors are encouraged to acknowledge employees for their accomplishments and their contributions to the success of the University inside and outside of their area(s) of direct responsibility.



5.0 PROCEDURES

5.1 University department funds may be used to purchase gifts or rewards to show appreciation or recognition to employees.

5.1.1 Appropriate gifts or rewards may include, but are not limited to, certificates of achievement, letters of acknowledgment, bookstore gifts and apparel, movie tickets, food, restricted or non-negotiable gift certificates, etc.

5.1.2 Cash or cash equivalent gift cards/certificates are not permissible.

5.1.3 Individual recognition or appreciation gifts cannot exceed an amount established by the President's Council in compliance with state statute. (As of July 2008 the amount is \$50.)

5.1.4 Individual employee recognition or appreciation gifts cannot exceed IRS rules and regulations. (As of July 2008, IRS regulations are \$75 annually.)

5.2 Gifts and prizes are subject to state and federal limitations on process and on taxability.

5.2.1 Internal Revenue Service (IRS) Rules and Regulations stipulate for employees that any gift of cash, a gift certificate, or cash equivalent, such as an item which is easily converted to cash, must be included in the recipient's gross income since it is essentially extra salary or wages, regardless of the amount involved. Cash, no matter how little, is always included in the recipient's gross income and must be processed through the payroll process for employees.

5.2.2 The University shall comply with all IRS rules and regulations.

POLICY HISTORY		
Date of Last Action	Action Taken	Authorizing Entity