



UTAH VALLEY UNIVERSITY Policies and Procedures

Proposed Policy Number and Title: 203 Employee Fringe Benefits		
Current Policy Number and Title: Not applicable		
Approval Process*		
<input checked="" type="checkbox"/> Regular	<input type="checkbox"/> Temporary	<input type="checkbox"/> Compliance Change
<input checked="" type="checkbox"/> New	<input type="checkbox"/> New	<input type="checkbox"/> New
<input type="checkbox"/> Revision	<input type="checkbox"/> Revision	<input type="checkbox"/> Revision—Limited Scope
<input type="checkbox"/> Revision—Limited Scope	<input type="checkbox"/> Revision—Limited Scope	<input type="checkbox"/> Deletion
<input type="checkbox"/> Deletion		
*See UVU Policy 101 <i>Policy Governing Policies</i> for process details.		

Draft Number and Date:	<u>Stage 2 Regular, January 6, 2026</u>
President’s Council Sponsor:	<u>Jim Mortensen</u>
Policy Steward:	<u>Kedric Black</u>

POLICY APPROVAL PROCESS DATES		
REGULAR	TEMPORARY	COMPLIANCE
Drafting and Revision	Drafting and Revision	President’s Council Approval
Entrance Date: <u>8/25/2022</u>	Entrance Date: _____	Approval Date: _____
University Entities Review	Board of Trustees Review	Board of Trustees Ratification
Entrance Date: <u>1/22/2026</u>	Entrance Date: _____	Ratification Date: _____
Close Feedback: <u>3/12/2026</u>	Approval Date: _____	
Board of Trustees Review		
Entrance Date: _____		
Approval Date: _____		



POLICY TITLE	Employee Fringe Benefits	Policy Number	203
Section	Financial Affairs and Development	Approval Date	
Subsection	General Financial Policies	Effective Date	
Responsible Office	Office of the Vice President of Finance and Auxiliary Services	Last Review	

1.0 PURPOSE

- 1 **1.1** This policy aims to ensure the University complies with federal tax laws when providing
2 taxable fringe benefits to university employees.

2.0 REFERENCES

- 3 **2.1** IRS Publication 15-B *Employer's Tax Guide to Fringe Benefits*
4 **2.2** IRS Publication 15 *Employer's Tax Guide*
5 **2.3** UVU Policy 211 *Employee Appreciation and Recognition (Gifts and Rewards)*
6 **2.4** UVU Policy 332 *Remote Work*
7 **2.5** UVU Policy 357 *Employee Tuition Remission*
8 **2.6** UVU Policy 251 *Traveling on University Business*

3.0 DEFINITIONS

- 9 **3.1 Courtesy vehicle:** A vehicle supplied by entities other than the University for the business
10 and personal use of a university employee.
- 11 **3.2 De minimis:** In general, a de minimis benefit is one that, considering its value and the
12 frequency with which it is provided, is so small as to make accounting for it unreasonable or
13 impractical. It is occasional or unusual in frequency. It also must not be a form of disguised
14 compensation.
- 15 **3.3 Disguised compensation:** Payments that are structured to look like something other than
16 wages or salary but are compensation for services.



17 **3.4 Fringe benefit:** A form of compensation offered to employees in addition to their regular
18 salary.

4.0 POLICY

19 **4.1** Fringe benefits provided by the University to employees are taxable and must be included in
20 the recipient's taxable income unless the law specifically excludes it.

21 **4.2** All taxable fringe benefits must be reported to the UVU Payroll Office so proper withholding
22 and tax reporting may occur.

23 **4.3** All benefits, including fringe benefits, and compensation must be reviewed and approved by
24 the Director of Tax Compliance to maintain strict compliance with applicable section of the
25 Internal Revenue Code and university policies and procedures.

5.0 PROCEDURES

26 **5.1** The University provides various fringe benefits to employees. Some benefits are provided
27 university-wide, while others are provided to specific employees by their department. UVU
28 employees are required to comply with the following fringe benefit policies and procedures.

29 **5.2 Cell phone stipend.** When a supervisor and an employee determine that the employee
30 requires the use of a cell phone to perform their job duties, they must follow the technology
31 allowance procedure set forth in applicable University policies and guidelines. Supervisors are
32 responsible for determining the appropriate stipend amount while considering the budget impact.

33 **5.3 Internet service stipend.** When a supervisor and an employee determine that an employee
34 stipend is appropriate to pay the costs associated with off-campus internet services necessary for
35 an employee to perform their job-related duties, they must follow the technology allowance
36 procedure set forth in applicable University policies and guidelines.

37 **5.4 Employee use of a courtesy vehicle.** Employees provided with a courtesy vehicle by an
38 external party shall follow the courtesy vehicle procedure to ensure proper tracking and
39 reporting. The appropriate vice presidents must approve the use of a courtesy vehicle and the
40 Office of General Counsel must review and approve a courtesy car agreement. The personal use
41 value of a courtesy vehicle will be calculated per IRS rules and treated as taxable wages.

42 **5.5 Educational assistance.** UVU Policy 357 *Employee Tuition Remission* should be followed
43 by all eligible employees, spouses, and dependent children who enroll in UVU courses and the
44 Staff Education Fund procedures should be followed for full-time staff pursuing education
45 beyond a bachelor's degree. For educational assistance that falls outside of Policy 357 or the
46 Staff Education Fund procedures, section 5.6 of this policy will govern.



47 **5.6 Job-related education, licenses, and certificates.** Job-related educational expenses are
48 allowable to the extent that they are required for the employee to maintain or improve skills
49 required for their current position.

50 **5.6.1** Payment for licenses, certification fees, specialized training, or other similar expenses may
51 be authorized for an employee when the University requires the license, certification, or training
52 as a condition of employment.

53 **5.6.2** The following requirements must be met for the expenses described in 5.6.1 to be
54 considered non-taxable:

55 **5.6.2.1** The employee is considered full-time during the period in which the license or
56 certification is active for or during the time of training.

57 **5.6.2.2** The license, certification, or training is directly related to the employee's present position
58 and is required by the University.

59 **5.6.2.3** The University will benefit from the specialized training the employee receives.

60 **5.7 Retirement planning.** Retirement planning and advice provided by UVU retirement plan
61 providers are not a taxable wage.

62 **5.8 Meals and entertainment.** UVU Policy 251 *Traveling on University Business* governs the
63 treatment of employee compensation for meals and entertainment related to university travel.
64 The treatment of all other employee compensation for non-travel-related meals and
65 entertainment shall be governed by the appropriate expenditure procedures.

66 **5.9 Gifts and awards.** The applicable appropriate expenditure procedures should be followed
67 for all employee-related gifts and awards.

68 **5.10 Transportation.** Transportation passes provided to UVU employees, their spouses, and
69 dependents, and UVU students as part of the overall agreement between the University and Utah
70 Transit Authority (UTA) are considered de minimis and are excluded from wages.

71 **5.11 Employee discounts.** Price reductions on goods and services provided by the University to
72 employees, their spouses, and dependents can generally be excluded from employee wages if the
73 discount does not exceed 20%. Before offering discounts greater than 20%, departments should
74 consult with Finance and Business Services and Payroll to determine potential taxability of the
75 discount.

76 **5.12 Employee Uniforms.** Policy 330 *Uniform Policy* should be followed for all employee-
77 related uniforms.



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POLICY HISTORY		
Date of Last Formal Review: Click here to enter a date.		
Due Date of Next Review: Click here to enter a date.		
Date of Last Action	Action Taken	Authorizing Entity

78



POLICY 101 EXECUTIVE SUMMARY	
Policy Number and Title: Employee Fringe Benefits Policy Bundle	
Date:	January 20, 2026
Sponsor:	Jim Mortensen
Steward(s):	Kedric Black
Policy Process:	Regular
Policy Action:	New
Policy Office Editor:	Cara O’Sullivan
Embedded Attorney:	Clark Collings

Issues/Concerns (including fiscal, legal, and compliance impact):

Policy 203 *Employee Fringe Benefits* will be written to include the employee benefits outlined in Policy 329 and 406, as well as other fringe benefits provided employees.

These policies will be deleted:

- Policy 329 *Telephone and Cellular Phone Usage*
- Policy 406 *Courtesy Cars*

Suggested Changes: Policy 203 *Employee Fringe Benefits* will be written to provide a consolidated policy for all fringe benefits offered employees.

Requested Approval from President’s Council: [Click here to choose the appropriate approval.](#)

Proposed Drafting Committee: Corey Callahan, Ked Black, Nikki Scott.

Target Date for Stage 1 Draft to Enter Stage 2: [Click here to enter a date.](#)

Target Date for Board of Trustees Review: [Click here to enter a date.](#)