

Employee Gifts & Awards

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Background and Purpose

This policy establishes standards and procedures related to the manner and extent to which gifts and non-cash awards are presented on behalf of the Associated Students, Incorporated (ASI) to its employees and provides the maximum amounts authorized for an award. This policy also covers the provision of gifts to employees as an expression of congratulations or sympathy.

The guidelines of this policy, including maximum allowable costs, are based on CSULB policy; however, ASI reserves the right to implement more restrictive provisions.

Policy Statement

It is the policy of the Associated Students, Incorporated that employees may be recognized by the presentation of a gift or non-cash award for the recognition of length of service, work accomplishment, or retirement purposes. In addition, gifts as an expression of congratulations or sympathy may be presented to employees as specified herein.

An item of tangible personal property may be presented to an employee for work related accomplishments. The selection of the staff who will be awarded must be made in accordance with an established procedure.

The procedures set forth in this policy are intended to conform to the Internal Revenue Service regulations related to awards. Any gift or award made to an employee must not result in taxable income to the recipient or it is not an award or gift. In addition, the expenditure of funds for gifts and awards should be cost effective and in accordance with the best use of public funds.

When determining if a gift or award is appropriate, the occasion must, in the best judgment of the approving authority, be infrequent and serve a clear business purpose. The approving authority must also evaluate the importance of the occasion in terms of the costs that will be incurred; the benefits to be derived from such an expense; the availability of funds; and any alternatives that would be equally effective in accomplishing the desired objectives.

This policy applies to all expenses incurred by ASI for gifts and non-cash awards to employees regardless of the funding source. It does not apply to the acceptance of gifts from customers or suppliers of ASI. Please refer to the ASI Policy on Conflicts of Interest for guidance on these types of gifts.

This policy does not apply to scholarships.

Who Should Know This Policy

- | | | |
|--|--|---|
| <input checked="" type="checkbox"/> Budget Area Administrators | <input checked="" type="checkbox"/> Elected/Appointed Officers | <input type="checkbox"/> Grant Recipients |
| <input checked="" type="checkbox"/> Management Personnel | <input type="checkbox"/> Program Advisors | <input checked="" type="checkbox"/> Staff |
| <input checked="" type="checkbox"/> Supervisors | <input type="checkbox"/> Volunteers | |

Definitions

For purposes of this policy, the terms used are defined as follows:

Term	Definition
Approving authority	The person to whom authority has been delegated in writing to approve hospitality expenses and to approve exceptions to the hospitality policy and the limitations outlined in this policy
Awards	A non-cash item of tangible personal property meant to be occasional and presented on an infrequent and non-discriminatory basis to an employee
Business expense	An expense that has an appropriate business purpose and where a clear ASI-related objective is demonstrated instead of a personal or social one

Term	Definition
Congratulatory and sympathy gifts	Gift of tangible personal property, such as flowers, presented as an expression of congratulations or sympathy in the event of a birth, an adoption, a death or major illness of an employee or a member of the employee's family or household
Exceptions	Awards or non-cash gifts that are not in accordance with this policy. Examples include but are not limited to expenses that exceed the maximum rates specified in this policy or are missing appropriate documentation, and any other type of award or non-cash gift expense that is not specifically included in this policy.
Gift	A non-cash item of tangible personal property given directly or indirectly to a person. A gift given to a company that is intended for the eventual personal benefit of a particular person is considered an indirect gift to that person. A gift given to a person's family is generally considered to be a gift to that person.
Incidental cost	A cost that does not add substantial value to the gift. Examples are engraving, packaging, insuring, mailing and gift-wrapping.
Itemized receipt/invoice	A written acknowledgment of money received. For substantiation of a gift or award expense, a receipt provides the name of the vendor; a detailed list of charges; the date and the total amount of the purchase.
Negotiable gift certificate	A gift certificate that can be converted to cash or for which the recipient can receive change in the form of cash for the difference between the price of a purchase and the value of the gift certificate
Official presenter	An employee representing ASI who presents the gift or award to the recipient.
Promotional items	Items having a non-material value (not exceeding \$50) that bear the logo, icon or other information identifying ASI or the University and that are one of a number of identical items distributed by the ASI or the University. Examples include but are not limited to pens, mugs, folders, calendars or clothing that are distributed to promote the name, image and programs of ASI, to provide information, to enhance employee morale, or encourage good customer service
Recipient	For the purpose of this bulletin, the recipient must be an employee of ASI. This definition does not include independent consultants. Refer to ASI Policy on Gifts to Non-Employees
Tangible personal property	Personal property that can be seen, weighed, measured, felt, or touched or is in any other way perceptible to the senses, such as books, plaques, trophies, etc.
Unallowable awards	Any award that is taxable to the recipient employee
Work achievement award	An item of tangible personal property presented to an employee for work achievements

Standards and Procedures

1.0 Allowable Gifts and Awards

1.1 Work Related Events

Awards and non-cash gifts presented in recognition of Length of Service, Work Achievement, and Retirement must conform to the requirements listed below. The awards described must be awarded as part of a meaningful ceremony and should be awarded under conditions and circumstances that do not create the appearance of disguised compensation. The awards and gifts must conform to the requirements and dollar limits listed below. The amounts specified include taxes but do not include incidental costs as defined above.

1.1.1 Employee Service Awards

An item of tangible personal property may be presented to an employee for length of service to the Associated Students, Incorporated. Such awards are subject to the following limitations:

- The award must be given for length of service achievement;

- The recipient must have completed at least five years of service; and,
- The recipient must not have received a similar gift in any of the prior four years

A length of service award valued at up to \$325 is allowable.

1.1.2 Work Achievement Awards

Work Achievement Awards include Employee of the Month, Employee of the Year and Distinguished Performance Awards. Awards must be occasional, infrequent, and presented on a non-discriminatory basis. An item of tangible personal property may be presented to an employee for work accomplishments. The selection of the staff who will be awarded must be made in accordance with an established process. A work achievement award valued at up to \$325 is allowable.

1.1.3 Retirement Awards

An item of tangible personal property may be presented to an employee upon his or her retirement, subject to the \$325 limit specified above.

1.1.4 Promotional Gifts and Prizes

An employee may receive a gift of tangible personal property that is distributed to promote the name, image and programs of ASI, to provide information, to enhance employee morale, or encourage good customer service. The value of these gifts will not exceed \$50, no exceptions. Examples of such gifts include holiday turkeys or hams, flowers, plaques, and coffee mugs for special occasions.

1.2 Congratulatory and Sympathy Gifts

Gifts of tangible personal property, such as flowers, may be presented as an expression of congratulations or sympathy in the event of a birth, an adoption, a death or major illness of an employee or a member of the employee's family or household. The cost of such gifts is limited to \$90 per department / office, unless exceptional approval is obtained.

All expressions of sympathy on behalf of ASI or any department or program thereof must be coordinated through the Human Resources Office. This is to ensure that all occasions warranting the expression of sympathy are communicated in a timely and accurate manner and that all such expressions are conducted in accordance with the employee's wishes.

Supervisors, co-workers, or others who become aware of the death or major illness of an employee's family member should promptly notify the Human Resources Office. The Human Resources Office will be responsible for contacting the employee to determine how ASI's expression of sympathy can be best communicated.

2.0 Unallowable Awards

Any award that is taxable is not allowable. Expenses for such awards cannot be reimbursed from any fund source or approved as an exception to this policy. Unallowable awards and gifts include, but are not limited to, the following:

- Gifts or awards of cash

- Negotiable gift certificates (those that can be exchanged for cash)
- Any award in excess of \$325
- Season tickets to sporting or cultural events
- Holiday, birthday, shower, etc., gifts
- Lavish or extravagant gifts
- Expenses not substantiated with appropriate supporting documentation

Gifts may not be presented:

- To any individual or organization associated either directly or indirectly with a political party, campaign, candidate, or a group engaged in an attempt to influence legislation, elections, referendums, or the like
- When any conflict of interest exists. For example, a personal or social relationship exists between presenter and/or approving authority and recipient
- When the business reason for making the gift or the nature of the business benefit the ASI derived or expects to derive is not documented in writing

3.0 Awards and Gifts Exempt From This Policy

The following types of awards are not covered under this policy:

- Professional development program awards
- System-wide incentive award and retirement programs
- Financial aid awards
- Gifts and awards provided to elected or appointed student leaders in recognition of their service to the university and/or ASI

4.0 Approval of Transactions

Approval for all ASI employee award expenses must be obtained at the appropriate level. Individuals with delegated approval authority must not approve requests for expenses of events at which they were the official presenter.

In order to ensure that the approval is entirely independent, individuals with approval authority will not approve the expenses of a person to whom they directly report. In addition, individuals with delegated approval authority will not approve their own expenses.

Delegation of Authority forms must be on file for each individual to whom approval authority for employee award payments has been delegated.

5.0 Exceptions to Policy

Approval of exceptions to this policy must be obtained from the Executive Director. The request for reimbursement of such expenses must include a written justification as to why non-compliance with policy was unavoidable and necessary to achieve an ASI business purpose. The request should also specify the type of award, the purpose of the award, and the name of the employee for whom the exception is requested.

If adequate justification exists and provided such costs are deemed ordinary and necessary under the circumstances, an exceptional expense may be approved. In any case, payments or reimbursements for the purchase of employee award and gift expenses will be limited to the actual costs incurred.

6.0 Tax Considerations

Under Internal Revenue Service regulations, an award or gift will be considered taxable income to an employee if:

- The award/gift is presented to the same employee on a regular or routine basis
- The award/gift is cash
- The award/gift is a negotiable gift certificate
- The expense is lavish or extravagant under the circumstances
- The award/gift is presented on a discriminatory basis
- The award/gift is not provided within an established recognition program

All such expenses are not allowable under this policy.

7.0 Payment or Reimbursement Procedures

The procedures that follow are required in order to conform to the Internal Revenue Service Regulations.

7.1 General

A Check Request or Cash Reimbursement Request must be submitted to the Associated Students Business Office.

To assure compliance with Internal Revenue Service regulations, the completed form must include the following information:

- Name and title of ASI official presenting the award/gift
- Name and title of ASI employee receiving the award/gift
- Occasion for which the award/gift is being presented
- Date and location of the event

- Description of the award presented, including cost
- Original supporting documentation

7.2 Receipts

An original itemized receipt or invoice for expenses must be submitted per occasion. A credit card receipt alone is not sufficient.

7.3 Certification

The request must include a certification by the approving authority that the expenses were incurred for official ASI business purposes and are in accordance with Internal Revenue Service guidelines and ASI policy.

7.4 Business Office

It is the responsibility of the A.S. Business Office to review all supporting documentation and to verify that the amounts claimed are allowable, that the appropriate accounts are charged, that the documents were properly approved prior to payment (or that adequate post audit reviews are performed), and that payments are tax reported appropriately.

In addition, the Business Office is responsible for ensuring that supporting documentation is being retained in accordance with the requirements specified in the ASI Policy on Records Management and other applicable policy and procedures.

Administration

The Director of Administrative Services is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed triennially and revised as needed, unless earlier revisions are necessitated by changes in the regulations of the IRS, CSULB, or the California State University Office of the Chancellor.

Forms

The following forms are to be used in the execution of this policy.

Form Name	Purpose	Responsible Office	Approved By	Timeline for Submission
Cash Reimbursement Request	To request cash reimbursement for the purchase of goods or services totaling less than \$100, excluding sales tax	A.S. Business Office	Authorized budget area signatory	Between 9 a.m. and 4 p.m., Monday through Friday (except holidays). Only one filing per person per day
Check Request	To request a check for payment to a vendor or as reimbursement to an authorized purchaser	A.S. Business Office	Authorized budget area signatory	At least four (4) business days before desired date of disbursement

Form Name	Purpose	Responsible Office	Approved By	Timeline for Submission
Delegation of Authority	To identify and provide specimen signatures of those persons authorized to approve financial, contractual, and personnel transactions.	ASI Administrative Services	Executive Director	At or near the beginning of the fiscal year (July 1). Revise anytime signature authority or authorized personnel changes. Form remains in effect until cancelled.