



## Gift Policy

**Responsible Executive: Richard Mausser, Vice President for Finance & CFO**

**Responsible Office: Finance Office**

**Related Policy:**

**Approval Date: 03-17-09**

**Effective Date: 03-17-09**

**Revision Date:**

The purpose of this Gift Policy is to ensure compliance with the Internal Revenue Code (IRC) and associated Treasury Regulations regarding the giving of gifts and tokens of appreciation. Of course, all gifts and tokens of appreciation whether given to employees or non-employees are always subject to the availability of funds and should support the strategic goals of the University. Exceptions to this policy must be obtained in advance from the President or a Divisional Vice President.

### **A. Gifts to Employees**

1. In general, gifts to employees using University funds are not permitted (e.g. holiday gifts, thank you gifts, get well gifts, etc.). In some circumstances, however, the University may choose to give a gift or token of appreciation to its employees as long as such gifts are not considered to be cash or cash equivalents.
  - a. Gifts to employees are deemed under the IRC to be a taxable fringe benefit which must be reported by the employer as earned income for the gift recipient.
  - b. **Exclusion** - De minimis benefits/gifts. A de minimis benefit/gift is any tangible good or service provided to an employee that has so little value that accounting for it would be unreasonable or administratively impractical. De minimis benefits/gifts are items, **other than cash and cash equivalents**, with a fair value of less than \$100.
2. Gifts of cash or cash equivalents (e.g. gift cards, gift certificates, adding money to an employee's Carroll OneCard, etc.), no matter how little, are never excludable as a de minimis benefit. Any gifts of cash or cash equivalents to an employee must be paid through the payroll department for proper withholding and reporting. As such, gifts of cash or cash equivalents are not permitted for University employees except in the rare case where authorization for such gift is received in advance from the Vice President for Finance.
3. Unauthorized gifts of cash or cash equivalents, including those inappropriately purchased using the University PCard, will be treated as a personal expense of the purchasing employee and will not be reimbursed by the University.

### **B. Gifts to Non-Employees**

The University may choose to give a gift or token of appreciation to non-employees such as donors or key constituents. Approval for such gifts must be obtained in advance from the President or a Divisional Vice President. In order to receive reimbursement for gifts made to non-employees, the Accountable Plan rules, as defined by the IRC, apply. These rules require that the following documentation must be provided: name of gift recipient, business purpose of gift, description of gift item, original receipt with date of purchase and amount of gift, vendor name from whom the gift was purchased.