

J. Types of Expenditures

2. Employee recognition and appreciation activities

- a. Expenses for parties, holiday, and social events are not reimbursable.

- b. Recognition Events

Occasional group events, may be held by a department or work group (such as an administrative team) to celebrate extraordinary individual or group accomplishments, or the retirement or departure of a key, long-term staff or faculty member.

Light refreshments may be reimbursed for such events. To mark outstanding performance, managers may provide a meal. These types of events and occasions should not occur more than once annually.

- c. Service Awards

Generally such awards can be viewed as achievement awards for length of service and therefore are excludable from taxable income to the employee and may be paid directly by the Foundation.

- d. Service Recognition

Meals related to retirement events or an employee leaving a department are not reimbursable except for the retiring individual and their supervisor. Other guests must pay their way. Light refreshments for a group are acceptable for reimbursement for 10 years of service or more. For less years of service, a Dean or higher must approve the event.

- e. The Foundation cannot make payments directly to a university employee for awards and prizes for outstanding performance or achievement. The Foundation discourages cash awards and gift cards/certificates for any amounts because the IRS considers them to be taxable income to the recipient. Therefore, if the recipient is a university employee, the cash payment must be made by the university. The university unit may request reimbursement from an appropriate Foundation account. If it is a gift certificate, then it is considered taxable to university employees. Expenditures of this nature will be reportable to university payroll.
 - f. The department requesting the reimbursement from the Foundation should send an email to the University's payroll office with the following information (a copy of this email with the University's payroll department acknowledgement should be submitted to the Foundation along with the payment request):
 - i. a list of employees,
 - ii. each employee's Social Security number,
 - iii. each employee's department,
 - iv. amount and
 - v. short description of the item.
 - g. The department needs to notify the employees that it will be included in their W-2.
 - h. Awards of tangible items of \$25 or less (except cash and gift cards/certificates) are considered de minimus and may be paid directly from a Foundation account.
- 3.