

## University Policy 3311: Employee Gifts and Awards

**Category:** Human Resources

**Subcategory:** Employment

**Covered Individuals:** All Employees

**Responsible Executive:** Vice President for Finance and Administrative Services

**Policy Custodian:** Controller's Office, Controller

**Last Revised:** 2025/11/07

**Previous USU Policy Number:** 505

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### 3311.1 PURPOSE AND SCOPE

The University understands the importance of creating and encouraging a supportive work environment. As such, departments may recognize employees with occasional gifts and awards. This policy provides guidelines regarding the value and type of gifts or awards that may be given to employees and the characteristics that make them non-taxable or taxable.

### 3311.2 POLICY

Department heads may authorize the purchase of gifts and awards to employees using University funds to acknowledge years of service, retirement, and other special occasions. Depending on the frequency, value, and form, gifts to employees are classified as non-taxable or taxable.

#### 2.1 Events and Occasions

##### 2.1.1 Length of Service

Employees may receive gifts and service awards to recognize length of service, which should be accompanied by a meaningful recognition event. The value of the gift should consider the number of years of service and should be given only after the employee has achieved at least five years of service.

##### 2.1.2 Retirement/Separation

Employees may receive retirement/separation gifts to recognize their service to the University, which should be accompanied by a meaningful retirement/separation event. Gifts that do not exceed \$400 are non-taxable to the employee. For gifts valued over \$400, the amount exceeding \$400 is considered taxable to the employee and must be reported using the Taxable Gift and Award form in Service Now.

##### 2.1.3 Other Special Occasions

###### 2.1.3.1 Bereavement

Departments may purchase flowers, plants, cards, or mementos using University funds up to \$100 for the death of a current employee or [immediate family member](#). In lieu of flowers, a donation may be made to a charitable organization or a purpose designated by the family, provided it is within the same \$100 limit and is appropriately documented.

### 2.1.3.2 Hospitalization

Departments may purchase flowers/plants using University funds up to \$100 for an employee that is hospitalized.

### 2.1.3.3 Holiday Events

Departments may purchase gifts using University funds for holiday events. The value of the gift should not exceed \$100 per employee.

### 2.1.3.4 Recognition Events

Departments may purchase gifts using University funds for employee recognition events. Gifts that do not exceed \$100 are non-taxable to the employee. Gifts valued over \$100 are taxable to the employee and must be reported using the Taxable Gift and Award form in Service Now.

## 2.1.4 Best Interest of the University

### 2.1.4.1 Employee

There may be other special occasions where it is in the best interest of the University to purchase a gift for an employee. In such cases, the value of the gift should not exceed \$100 and should be approved by the appropriate Department Head.

### 2.1.4.2 Non-Employee

There may be other special occasions where it is in the best interest of the University to send a gift to individuals (e.g. donors, governing board members, etc.). In such cases, the value of the gift should not exceed \$100 and should be approved by the appropriate Dean or Vice President.

### 2.1.5 Other

Gifts given to family members of current employees must be approved by the appropriate Dean or Vice President. The value of the gift is taxable to the employee and must be reported using the Taxable Gift and Award form in Service Now.

## 2.2 Form of Gifts and Awards

[De minimis](#) gifts and awards are non-taxable to the employee when the gift or award does not exceed \$100, is given on an occasional basis, and is tangible personal property (gift may not be in the form of cash, cash equivalent, or non-USU gift card).

Cash, cash equivalents, and non-USU gift cards are taxable to the employee, as defined by the Internal Revenue Service, and must be reported using the Taxable Gift and Award form in Service Now

## 2.3. Unallowable

Gifts for employee's personal life events (e.g., birthdays, showers, weddings, graduations) may not be purchased with University funds. However, the purchase of greeting cards for acknowledgement is allowable.

## 3311.3 RESPONSIBILITIES

### 3.1 Transaction Coordinators

Verify that expenditures are consistent with policy requirements and documented.

### 3.2 Business Managers

Verify that expenditures are allowable and allocable. When gift/award is taxable, ensure 'Taxable Gift and Award' form is submitted in ServiceNow.

### 3.3 Department Heads

Authorize purchases of gifts and awards to employees.

### 3.4 Dean or Vice Presidents

Authorize purchases of gifts to non-employees and family members of employees.

### 3.5 Controller's Office

Monitor compliance with tax reporting requirements.

## 3311.4 REFERENCES

- [Internal Revenue Service Publication 5137, Fringe Benefit Guide](#)
- [Internal Revenue Service Publication 15-b, Employer's Tax Guide to Fringe Benefits](#)

## 3311.5 DEFINITIONS

- **De minimis** - A de minimis gift is one for which, considering its value and the frequency with which it is provided, is so small as to make accounting for it unreasonable or impractical. USU has defined de minimis to be \$100 or less.
- **Immediate Family Member** – As defined in Policy 3105 Other Leave.

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Information below is not included as part of the contents of the official policy. It is provided only as a convenience for readers/users and may be changed at any time by persons authorized by the president.

## RESOURCES

### Procedures

- [Direct Payments](#)
- [Gift Cards](#)

### Related Forms and Tools

- [Taxable Gift and Award](#) form in ServiceNow

### Contacts

- [Controller's Office](#)

## POLICY HISTORY

Original issue date: 2006/08/15

Last review date: 2025/11/07

Next scheduled review date: 2027/11/1

Previous revision dates: 2024/11/01, 2018/07/11, 2006/08/15