

# Employee Non-Cash Awards and Other Gifts

Gift Presenter Role/ UCOP Policy G-41



Expenses for all gifts, to employees or non-employees are **require** the SOM Dean's Office final approval. Your admin team can tell you the rules, appropriate gift type and dollar limits.

When deciding on the dollar value of the gift or award you **MUST** consider the tax consequences **for the employee**. Use the table below to determine whether the award or gift is taxable.

The per-person limits do not include costs such as engraving, packaging, insurance, sales tax, mailing etc., and can be in addition to the per person limit.

Award or Gift Type	Award or Gift Item	Per-Person Limit	Tax Treatment
<b>Employee Recognition (including Spot Awards)</b>	Tangible Personal Property and <b>*Nonnegotiable</b> Gift Cards or Gift Certificates.	\$75	Under limit, not taxable. If over, entire amount is taxable.
	One Month Parking Permit or Transit Pass	\$260	Full cost or value is taxable
<b>Length of Service</b>	Tangible Personal Property	\$400	Under limit, not taxable. Over limit, only the amount in excess is taxable
<b>Retirement</b>	Tangible Personal Property	\$400	Under limit, not taxable. Over limit, only the amount in excess is taxable
<b>Retirement &amp; Length of Service</b>	<b>*Nonnegotiable</b> Gift Card or Gift Certificate for Tangible Personal Property. <b><u>NO VISA CARDS</u></b>	\$400	Full cost or value is subject to withholding as income
<b>Sympathy Gift</b>	Tangible Personal Property	\$75	Under limit, not taxable. If over, entire amount is taxable.
	Cash Contributions	\$200	Contributions are made in the name of the University, therefore not taxable
<b>Prizes and Other Gifts</b>	Tangible Personal Property and <b>*Nonnegotiable</b> Gift Cards	\$25	Under limit, not taxable. Entire amount taxable if over

\*In addition to the prohibition on cash and cash equivalents (Visa, MasterCard etc.), gift cards or gift certificates cannot be redeemable for services, vacations, **meals**, lodging, tickets to theater or sporting events, memberships, or similar non-tangible items because such services do not constitute tangible personal property.

**Employee Examples For Non-Cash Awards and Gifts – UCOP Policy G-41****Per-Person Limit****No Visa, MasterCard or similar negotiable gift cards.**

In addition, gift cards or gift certificates cannot be redeemable for services, vacations, meals, lodging, tickets to the theater or sporting events, memberships, or similar non-tangible items.

**Gifts provided to employees in connection with birthdays, weddings, anniversaries, holidays, farewells, graduations and other personal occasions are unallowable.**

Employee Recognition	\$75 x 3 per year
Length of Service (5+ years)	\$400 x 1 per 4 years
Retirement	\$400 x 1
Sympathy – Tangible Personal Property	\$75
Sympathy Gift – Cash Contributions to a charity	\$200
Prizes and Other Gifts	\$75

**Non-Employee Non-Cash Awards & Other Gifts UCOP Policy G-42**

Purpose	<u>Non-Employee</u> Examples of Non-Cash Awards and Other Gifts - UCOP Policy G-42	Per Calendar Year
Promo Items	A t-shirt, cap, Mug, pen etc. with UCSF logo	<=\$75 per individual
Appreciation, Recognition, or Incentive	Items of more than minimal value.  <b>Graduate Student</b> awards for a noteworthy academic achievement or for participation in a University sponsored activity.  Gifts to <b>Graduate students/</b> volunteers for participation in a research study. Prizes provided to non-employees to encourage participation at a UCSF event.	<\$600 per individual
Sympathy	Flowers etc. presented as an expression of sympathy in the event of the death or major illness of a non-employee or a member of their family or household.	<=\$200 per individual

**Payment Methods To Use:****Purchasing Method**

1. BearBuy
2. P-card
3. Personal Credit Card (Discouraged)

**Timely Submission of Expense Report**

All expense reports must be complete, accurate, and submitted within 45 days after incurring the expense to ensure timely reporting of expenses and to avoid potential IRS tax implications. After 60 days the expense will be considered as taxable income.

# Approving Employee Non-Cash Awards and Other Gifts

Approver Role/ UCOP Policy G-41



Expenses for all gifts, whether to employees or non-employees are **exceptional**, requiring the SOM Dean's Office final approval.

If the per person dollar limit is exceeded, the dollar value of the gift or award is taxable to the recipient. Departments are responsible for reporting taxable awards and gifts on the Taxable Employee Non-Cash Award or Gift Reporting Form. Costs for engraving, packaging, sales tax, etc. can be in addition to the per-person limit.

Award or Gift Type	Award or Gift Item	Per-Person Limit	Tax Treatment
Employee Recognition (including Spot Awards)	Tangible Personal Property and <b>*Nonnegotiable</b> Gift Cards or Gift Certificates.	\$75	Under limit, not taxable. If over, entire amount is taxable.
	One Month Parking Permit or Transit Pass	\$260	Full cost or value is taxable
Length of Service	Tangible Personal Property	\$400	Under limit, not taxable. Over limit, only the amount in excess is taxable
Retirement	Tangible Personal Property	\$400	Under limit, not taxable. Over limit, only the amount in excess is taxable
Retirement & Length of Service	<b>*Nonnegotiable</b> Gift Card or Gift Certificate for Tangible Personal Property. <b><u>NO VISA CARDS</u></b>	\$400	Full cost or value is subject to withholding as income
Sympathy Gift	Tangible Personal Property	\$75	Under limit, not taxable. If over, entire amount is taxable.
	Cash Contributions	\$200	Contributions are made in the name of the University, therefore not taxable
Prizes and Other Gifts	Tangible Personal Property and <b>*Nonnegotiable</b> Gift Cards	\$25	Under limit, not taxable. Entire amount taxable if over

**\*No Visa, MasterCard or similar negotiable gift cards. Non-negotiable gift cards only.**

Gifts provided to employees in connection with birthdays, weddings, anniversaries, holidays, farewells, graduations and other personal occasions are unallowable.

**Employee Examples For Non-Cash Awards and Gifts – UCOP Policy G-41****Per-Person Limit**

Employee Recognition	\$75 x 3 per year
Length of Service (5+ years)	\$400 x 1 per 4 years
Retirement	\$400 x 1
Sympathy – Tangible Personal Property	\$75
Sympathy Gift – Cash Contributions to a charity	\$200
Prizes and Other Gifts	\$75

**No Visa, MasterCard or similar**

***negotiable gift cards.*** In addition, gift cards or gift certificates cannot be redeemable for services, vacations, meals, lodging, tickets to the theater or sporting events, memberships, or similar non-tangible items because such services do not constitute tangible personal property.

**Gifts provided to employees in connection with birthdays, weddings, anniversaries, holidays, farewells, graduations and other personal occasions are unallowable.**

**Non-Employee Non-Cash Awards & Other Gifts UCOP Policy G-42**

Purpose	<u>Non-Employee</u> Examples of Non-Cash Awards and Other Gifts - UCOP Policy G-42	Per Calendar Year
Promo Items	A t-shirt, cap, Mug, pen etc. with UCSF logo	<=\$75 per individual
Appreciation, Recognition, or Incentive	Items of more than minimal value.  <b>Graduate Student</b> awards for a noteworthy academic achievement or for participation in a University sponsored activity.  Gifts to <b>Graduate Students</b> / volunteers for participation in a research study. Prizes provided to non-employees to encourage participation at a UCSF event.	<\$600 per individual
Sympathy	Flowers etc. presented as an expression of sympathy in the event of the death or major illness of a non-employee or a member of their family or household.	<=\$200 per individual

**What should be attached to the report?**

1. Purpose for giving the gift. **Is it appropriate?**
2. Event flyer agenda etc. that the gift might be associated to.
3. Recipient list with affiliations.
4. *Itemized* receipt or invoice.
5. Missing receipt form if no receipt.
6. Summary of restricted fund source to show allowabilty of gift expense.

All expense reports must be complete, accurate, and submitted within 45 days after incurring of the expense to ensure timely reporting of expenses and to avoid potential IRS tax implications. After 60 days the expense will be considered as taxable income.

# Submitting Employee & Non-Employee Non-Cash Awards and Other Gifts Expenses

Requester/ Delegate Role/ UCOP Policy G-41 & G-42

Expenses for all gifts, whether to employees or non-employees are exceptional, requiring the SOM Dean’s Office final approval.



1. As the expense is exceptional, **BEFORE** submitting to dept. approver, add Simon Schuster as adhoc approvers 1.
2. Attach Recipient info
3. Account 57851 for employee recognition /award/ bearhugs

1. Expense type should be Prizes/ Recognition Awards/ Gift Cards
2. Add Simon Schuster as final approver

### P-Card

1. Complete p-card exceptional expense form.
2. Attach the fund source
3. E-mail packet to SOM Dean’s Office/ SimonSchuster.

### Points To Remember For All Reimbursements Methods:

1. Describe reason for award/ Gift
2. Check Chartstring is suitable for expense (see over)
3. Gift purpose clearly described with few acronyms
4. Include recipient name and affiliation.
5. Attach receipts/ invoices or missing receipt form.
6. Non-negotiable gift cards for retirement are taxable to the recipient. You MUST submit the ‘Taxable Employee Award or Gift Reporting Form’.
7. Costs for engraving, packaging, sales tax, etc. can be in addition to the per-person limit.

Employee Examples For Non-Cash Awards and Gifts – UCOP Policy G-41	Per-Person Limit	<b>No Visa, MasterCard or similar negotiable gift cards.</b> In addition, gift cards or gift certificates cannot be redeemable for services, vacations, meals, lodging, tickets to the theater or sporting events, memberships, or similar non-tangible items because such services do not constitute tangible personal property. <b>Gifts provided to employees in connection with birthdays, weddings, anniversaries, holidays, farewells, graduations and other personal occasions are unallowable.</b>
Employee Recognition	\$75 x 3 per year	
Length of Service (5+ years)	\$400 x 1 per 4 years	
Retirement – non-negotiable gift cards of any denomination are taxable to the recipient.	\$400 x 1	
Sympathy – Tangible Personal Property	\$75	
Sympathy Gift – Cash Contributions to a charity	\$200	
Prizes and Other Gifts	\$25	

### Non-Employee Non-Cash Awards & Other Gifts UCOP Policy G-42

Purpose	Non- Employee Examples of Non-Cash Awards and Other Gifts - UCOP Policy G-42	Per Calendar Year
Promotional Items	Mug, pen with UCSF logo	Up to \$75 pp
Appreciation, Recognition, or Incentive	Items of more than minimal value. (e.g., a plaque, watch, logo item, book, <b>non-negotiable</b> gift certificate, tickets to a sporting, theatrical, or musical event, or a meal provided to an individual)	Up to \$600 per person
Sympathy	Flowers, may be given in the event of the death or major illness of an individual associated with the University or a member of the individual's family or household.	Up to \$200 per person

Examples of individuals and organizations that may be presented with a gift on behalf of the University include, but are not limited to, the following:

Recipient	Purpose
A visiting dignitary or scholar	to express appreciation (e.g. a distinguished lecturer)
An elected or appointed official	to express appreciation or to promote goodwill
A donor or potential donor	to acknowledge a contribution, to recognize service, to promote the University's programs, or to promote goodwill
A volunteer, including a University retiree	to acknowledge the contribution of time or other resources or for participation a University sponsored activity
A <i>Graduate</i> student	to recognize a meritorious academic achievement
A <i>Graduate</i> student or volunteer	for participation in a research study, completion of a survey or questionnaire, or for participation in another University-sponsored event
A civic or cultural organization or a member of the local community	to promote goodwill
A client	to promote good customer relations

### What should be attached?

1. Purpose for giving the gift. **Is it appropriate under the circumstances?**
2. Recipient list with affiliations.
3. *Itemized* receipt or invoice.
4. Event flyer agenda etc. that the gift giving may be associated with
5. Missing receipt form if no receipt or receipt not itemized.
6. Summary of restricted fund source (4\*\*\*, 7\*\*\* and 18\*\*) to show allowabilty of expense

### Timely Submission of Expense Report

All expense reports must be complete, accurate, and submitted within 45 days after incurring of the expense to ensure timely reporting of expenses and to avoid potential IRS tax implications. After 60 days the expense will be considered as taxable income.

### No Visa, MasterCard or similar negotiable gift cards.

In addition to the prohibition on cash and cash equivalents (Visa, MasterCard etc.), *gift cards or gift certificates* cannot be redeemable for services, vacations, **meals**, lodging, tickets to theater or sporting events, memberships, or similar non-tangible items because such services do not constitute tangible personal property.