



Policy 2.5 Employee Gifts and Celebrations Policy

Responsible Official: VP for Finance
Administering Division/Department: Payment Services
Effective Date: January 01, 2008
Last Revision: June 24, 2008

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Overview

The purpose of this policy is to define when it is appropriate to give gifts and to have celebrations paid for by University funds.

Applicability

All University departments and schools. This policy does not apply to gifts or celebrations for donors or alumni who do not hold paid or unpaid appointments.

Policy Details

2.5.1 Recognition of Faculty or Staff

On occasion a school or department may want to recognize faculty and/or staff members for outstanding achievement or for a major milestone such as a promotion or retirement. These include work-related achievements, holiday celebrations, team morale-building events, expressions of sympathy (immediate family only), promotions or retirements.

2.5.1.1 Restrictions

Federally sponsored funds should never be used to charge faculty or staff gifts, morale-building events, celebrations or work-related achievement events. Non-federally sponsored funds may be used only if the sponsor has approved a budget that specifically includes such event or gift expenses as part of program goals.

Departmental restricted funds may be used only if the amount is within the fund terms. Departmental unrestricted funds may be used at the discretion of the department, as long as University policies are followed.

2.5.1.2 Appropriate Use of University Funds

Work-related Achievements include:

- Marking the achievement of a major departmental goal
- Marking the end of the academic or fiscal year
- Honoring a faculty or staff member in connection with a work-related employee recognition program
- Honoring a faculty/staff member who is leaving the school, department, or the

- University
 - Honoring a retiree

Gifts may be given when the primary motive is detached or disinterested generosity, or affection, respect, admiration, charity, or a similar sentiment. They may include gift certificates or tangible personal property such as a watch, pen, or briefcase. Gifts may be charged when:

- Honoring a faculty or staff member for achievement of a work-related goal or objective (non-bonus)
- Honoring a long-service employee outside of a University-wide recognition program
- Honoring a faculty/staff member departing the school, department, or the University
- Honoring a retiree

Holidays or Team Morale-Building Events may include a department-wide luncheon, dinner, or party in connection with an established University-wide holiday (i.e., Thanksgiving) or a department monthly practice of recognizing a group of employees whose birthdays fall within that month.

Sympathy may include a memorial gift, donation to a charity or flower arrangement upon the death or serious illness of a faculty/staff member or an immediate family member of a faculty/staff member. In such cases, the University should be acknowledged as the sender ("From your friends and colleagues at Emory University's XX Dept."). In the case of a donation to a charity, the notation should indicate that the donation is from "Emory University's XX Department".

Gifts larger than \$75 in value require Financial Dean (or equivalent) approval in writing.

2.5.1.3 Inappropriate Use of University Funds

It is not appropriate to spend University funds in recognition of faculty or staff for non work-related achievement or events such as weddings, baby showers, housewarmings, etc.

If individuals wish to recognize these events, they may do so on a personal level. Personal funds should be used to pay for these and other kinds of staff parties and gifts. These personal funds will not be reimbursed by the University.

2.5.2 Gift Reporting

All gifts and celebratory events must be charged to sub code 8381 *Employee Goods and Services*. Gifts received by faculty or staff are taxable and must be reported in income if their value exceeds the following dollar thresholds:

- Gift certificates of any amount
- Gifts of tangible personal property greater than or equal to \$75
- Gifts of tangible personal property greater than \$400 to a long-service or retired employee

2.5.2.1 Payroll Form

A Payroll Department [Gift Reporting Form](#) must be completed by the individual purchasing the gift and emailed, faxed or mailed to the [Payroll Department](#) to document reimbursement for taxable gifts to faculty/staff. This applies to any purchases made with a Purchasing Card (P-card) as well.

2.5.3 Department Guidelines

Departments should have well-documented guidelines including, if applicable, their own internal approval process. It is the responsibility of each department to inform their employees of these internal policies and to enforce them. An annual review of charges to sub code 8381 by each department is strongly recommended.

It is expected that Departments use reasonable and prudent judgment and refer to [Internal Revenue Service](#) (IRS) regulations when establishing dollar limits for all charges that fall under this policy. Departments and Schools should also strive to ensure that all faculty/staff are treated in an equitable manner.

From time to time the respective Executive Vice President may deem it appropriate to use discretion and approve exceptions. In those circumstances, written documentation of the approval must be included with the request for reimbursement.

2.5.4 Communication

Managers and supervisors are responsible for communicating this policy along with their internal policies to their employees on a regular basis, at least annually.

2.5.5 IRS Guidelines for Taxability of Gifts

The following table outlines taxability of gifts to employees and individuals affiliated with the University. The tax rules shown below apply to gifts given to U.S. citizens, residents, and non-resident aliens.

Scenario	Employee Taxable?	Student Taxable?	University Affiliation (e.g., Non-Salaried Appointment) Taxable?	Fellowship Recipient Taxable?
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Cash and gift certificates for any amount (non-tangible personal property)	Yes	Yes	Yes	Yes
Tangible personal property (*) – Occasional and less than \$75	No	No	No	No
Tangible personal property (*) – Equal to or greater than \$75 (this category does not include a length of service or retirement gift)	Yes	Yes	Yes	Yes
Tangible personal property valued in the range of \$0-\$400 for length of service or retirement	No	N/A	N/A	N/A
Tangible personal property valued greater than \$400 (**) for length of service or retirement.(***)	Yes	N/A	N/A	N/A

(*) Cash and cash equivalents of any amount, including gift certificates of any amount, are NOT considered tangible personal property

(**) Consult with the University Tax Manager prior to making any payment.

(***) Only amounts greater than \$400, none of the value \$0-\$400, is taxable or reportable

YES = subject to all taxes including federal, state, FICA (social security/Medicare) and included in gross income

NO = not subject to tax withholding and not included in gross income

Definitions

Gifts: Transfer for which the dominant motive is detached or disinterested generosity, or affection, respect, admiration, charity, or like sentiment.

Long service employee : Individual who has been employed for at least five years. A financial or tangible long-service award can be given to an employee no more than every five years. This refers to gifts, not celebrations.

Sympathy: Expressions of sympathy should be for immediate family only. This includes spouse or partner, children, parents, siblings, or grandparents.

Related Links

- Current Version of This Policy: <http://policies.emory.edu/2.5>
- [Payroll Gift Form](http://www.finance.emory.edu/external/forms/GiftForm.xls) (http://www.finance.emory.edu/external/forms/GiftForm.xls)
- [Payroll Department](http://www.finance.emory.edu/external/deptpages/pay/index.cfm) (http://www.finance.emory.edu/external/deptpages/pay/index.cfm)
- [Internal Revenue Service](http://www.irs.gov) (http://www.irs.gov)

Contact Information

Subject	Contact	Phone	Email
Gifts and Events	Payment Services	404.727.5400	actspay@emory.edu
Payroll Gift Form	Payroll Department	404.727.6100	payroll@emory.edu

Revision History

- Version Published on: Mar 20, 2007
- Version Published on: Mar 20, 2007 (Original Publication)