



**Policy Chapter:** Chapter 5 Human Resources

**Policy Number and Title:** 05.041 Employee Awards, Gifts and Prizes

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**I. Policy Statement**

The University of North Texas (UNT) may provide awards, gifts, and/or prizes to employees to recognize their merits or contributions to UNT for such reasons as length of service, outstanding achievement, safety, goodwill, or retirement.

**II. Application of Policy**

All UNT Employees

**III. Policy Definitions**

**A. Award**

“Award” means something of value conveyed in recognition of outstanding performance or other performance related activity; or as a result of competition or merit; or in recognition of service to UNT.

**B. Cash or Cash Equivalent**

“Cash or Cash equivalent” means currency, such as coin, checks, bank drafts, Automatic Clearing House (ACH) transactions, Electronic Funds Transfers (EFTs), money orders, traveler’s checks, cashier’s checks, credit card, debit card transactions, gift cards, gift certificates, or any other form of monetary payment.

**C. Department Identification Holder (Dept. ID Holder)**

“Dept. ID Holder” means the employee with management responsibility for financial transactions for the Department for which the employee is the holder of Record, as set forth in [UNT Policy 10.005](#).

**D. De Minimis Benefit**

“De minimis benefit” means any property or service provided by UNT to an employee that has so little value that accounting for it would be unreasonable or administratively impracticable; UNT designates these benefits as having a value of less than \$100 and only given on an occasional basis. Cash and cash equivalents (for example gift card, charge card, or credit card), no matter how little, are never excludable as a de minimis benefit.

**E. Employee**

“Employee” means an individual who is employed part-time, full-time, or in a temporary capacity as faculty or staff. Staff includes student employees when the award, gift, or prize is based on the student’s role as an employee.

#### **F. Gift**

“Gift” means a voluntary conveyance of something of value as a gesture of good will or appreciation, such as flowers or other personal items, not specifically related to job performance.

#### **G. Prize**

“Prize” means something of value conveyed as a result of chance, generally for promotional purposes, to one or more participants in an event sponsored by a UNT department or organization.

### **IV. Policy Responsibilities**

#### **A. Cash and Cash Equivalent Awards, Gifts, and Prizes to Employees**

##### **1. Approval of Cash or Cash Equivalent Gifts**

Employee awards, gifts, and prizes that are cash or cash equivalent must be approved by the President or designee prior to awarding.

##### **2. Federal Tax Purpose Treatment of Cash and Cash Equivalent Gifts**

Employee awards, gifts, and prizes that are cash or cash equivalent generally are treated, for federal tax purposes, as wages subject to taxation, and withholding must be paid through Payroll. The President or designee must notify the Payroll office and the UNT Human Resources department of all employee awards, gifts, and prizes that are cash or cash equivalent.

##### **3. Checks for Violations of Law or Policy of Cash and Cash Equivalent Gifts**

The Director of Payroll or designee will impute taxes and withholdings as appropriate, and will determine that the issuance is not in violation of state law or UNT policy. A chart of guidelines for taxability of awards, gifts, and prizes is provided within the [Procedures for Faculty and Staff Gifts and Awards](#). The UNT Assistant Vice Chancellor of Human Resources or designee is responsible for reviewing awards, gifts, and prizes that are cash or cash equivalent to determine that their issuance is not in violation of state law or University policy.

#### **B. Non-Cash and Non-Cash Equivalent Awards, Gifts, and Prizes to Employees**

##### **1. Approval of De-minimis Non-Cash Gifts**

Department ID Holders are responsible for approving de-minimis, non-cash, and non-cash equivalent awards, gifts, and prizes of tangible items valued at less than \$100. These awards, gifts, and prizes are limited to engraved certificates, plaques, pins, and other similar items. Awards, gifts, and prizes must be issued in accordance with each department’s internally established criteria.

## 2. Approval of Non-Cash Gifts Valued at \$100 or More

### *a. Gifts Issued at Division, Department, School, or College Level*

The Vice President or designee is responsible for approving non-cash and non-cash equivalent awards, gifts, and prizes valued at \$100 or greater, that are issued at the division, department, school, or college level in accordance with internally established criteria. The Vice President or designee must notify the Payroll Office and the UNT Human Resources department of any non-cash and non-cash equivalent awards, gifts, or prizes valued at \$100 or greater.

### *b. Gifts Issued at University-wide Level*

The President or designee is responsible for approving non-cash and non-cash equivalent awards, gifts, or prizes that are issued on a university-wide level in accordance with internally established criteria. The President or designee must notify the Payroll Office and the UNT Human Resources department of any non-cash and non-cash equivalent awards, gifts, or prizes valued at \$100 or greater.

## 3. Tax Treatment of Non-Cash Gifts

Non-cash and non-cash equivalent awards, gifts, or prizes valued at \$100 or greater may be taxable as compensation to the employee, whether paid from UNT funds or received as a gift or donation. The Director of Payroll or designee will determine the taxability of these awards, gifts, or prizes based on IRS requirements at the time of the transaction. The Director of Payroll or designee will impute taxes and withholdings as appropriate, and will determine that the issuance is not in violation of state law or UNT policy. A chart of guidelines for taxability of awards, gifts, and prizes is provided within the [Procedures for Faculty and Staff Gifts and Awards](#).

## 4. Checks for Violations of Law or Policy of Cash and Cash Equivalent Gifts

The Assistant Vice Chancellor of Human Resources or designee is responsible for reviewing non-cash and non-cash equivalent awards, gifts, and prizes, valued at \$100 or greater, to determine that their issuance is not in violation of state law or University policy. The dollar value of non-cash awards, gifts, or prizes may not exceed \$2,000 per individual. Any exception to the \$2,000 limit must be approved by the President or designee.

### **C. Awards, Gifts, and Prizes to Employees from Items Donated by Vendors**

Donated items from current or potential vendors must be in compliance with, [UNT Policy 05.015, Ethics](#). If a vendor is issued a gift-receipt then the donated items become the property of UNT and are subject to the guidelines set forth in Sections I and II above.

### **D. Funding Source**

Awards and Prizes may be paid from designated funds, current restricted funds (unless restricted for other purpose), or auxiliary funds. Gifts may only be purchased or reimbursed

from unrestricted gift funds.

Appropriated funds may not be used for gifts or prizes. Appropriated funds may not be used for awards unless doing so serves a public purpose and the cost of awards purchased does not exceed \$100 for an individual employee.

**E. Exceptions**

Exception to this policy must be approved in writing by the Vice President of Finance and Administration or designee.

**V. References and Cross-References**

[Internal Revenue Publication 5137](#)

[Internal Revenue Publication 15-B](#)

[Texas Government Code, 2113](#)

[Texas Government Code, 2113.201](#)

[UNT Policy 05.015, Ethics](#)

[UNT Policy 10.005, Accountholder Responsibility](#)

[Procedures for Faculty and Staff Gifts and Awards](#)

**VI. Revision History**

Policy Contact:	Asst VC & Chief HR Officer
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