

**UWG PROCEDURE NUMBER: 5.1.2, Prizes, Promotional Items, and Awards**

**Authority: UWG POLICY 5.1 (Purchasing)**

University units are permitted to distribute awards, promotional items, and prizes to recognize and celebrate achievement and contribution to the University community in accordance with established procedures.

This policy applies to all faculty, staff, and students.

The Chief Business Officer, pursuant to the authority of UWG Policy 5.1, establishes the following procedures:

**A. Definitions.**

1. **Award** - given to an individual(s) based on a skill/ability achieved through an adjudicative process
2. **De Minimis** - for purposes of this Procedure, amounts of \$50 or less
3. **Prize** - given for an action taken or work created with an intent or hope of acquiring the reward
4. **Promotional Item** – items used to market or promote University events

**B. Procedures for Awards.**

1. General Information

- a. Awards may be monetary or a tangible item (i.e., a plaque or memento that commemorates the achievement). Refer to the chart below for specific documentation requirements and required approvals based upon the value of the award. Award amounts of \$50 or less are considered *de minimis* and require only the approval of the individual with fiscal accountability for the funds used.
- b. Awards may be purchased with Auxiliary Enterprises (12XXX), Student Activity (13XXX), Departmental Sales & Services (14XXX) or Agency funds (60000). State money may be used if the award’s value is considered *de minimis*.
- c. All payments made from university funds or items of value given to employees in excess of \$50 are considered compensation, and are subject to federal, state, and employment tax withholding and submitted by the department to HR/Payroll reporting on Form 2, unless a specific exemption applies.
- d. The table below indicates the additional information required for the acquisition or payment of the award (based upon a per award value):

STEP	Award Value	
	\$50 < \$99.99	\$100 to \$500
Criteria for selection	Required	Required
Documented receipt of award by recipient	Required	Required
Approval Level (1)	Department	Department
Approval Level (2)		Vice President

The criteria for selection should be framed as a separate document that also indicates the frequency with which the award will be given.

2. Process

a. Non-monetary awards

The department should submit an approved Check Request form for the payment or reimbursement of the award. Documentation for the acquisition should include a copy of the approved criteria for selection along with required original receipt(s) or invoice(s). The name of the awardees or a listing of the awardees and their signature is required to accompany the documentation for payment except in cases where the award will be given at a time in the future. Once the award is distributed, the documentation of receipt is to be kept with the department or organization.

b. Monetary awards

The department should submit an approved Check Request form for the payment award along with the approved original award plan. Anything of cash value that exceeds fifty dollars (\$50) is subject to federal payroll taxes and must be routed through the payroll system by the requesting department.

3. Additional Requirements for Students

- a. Performance Based Awards are considered acceptable if student has provided some service and/or performed some function to receive award (e.g., writing contests, dance contests, and various student skills competitions). Award amounts may vary based on value of service/performance, not to exceed \$500.
- b. Monetary awards to student employees who are being awarded based on performance as a student will be paid through Accounts Payable. These payments will be flagged as 1099 reportable and the recipients may receive an IRS 1099 form at the end of the calendar year if reporting requirements are met.
- b. Monetary awards for students will only be issued to a student in good financial standing with the University, as determined by the Controller's Office,.

**C. Procedures for Prizes/Promotional Items**

1. General Information

- a. Acceptable prizes/items associated with promotional events include T-shirts, mugs, plaques, click-drives, etc. Individual value should not exceed \$50.
- b. *Cash awards are prohibited, except gift cards may be allowed if approved in advance by the Chief Business Officer.* The department is responsible for obtaining pre-approval from the CBO.
- c. Prizes/promotional items may be purchased with Auxiliary Enterprises (12XXX), Student Activity (13XXX), Departmental Sales & Services (14XXX) or Agency funds (60000). State money may be used only if the prize's value is \$50 or less (*de minimis*).
- d. The University may be subject to additional prohibitions required by athletic conference regulations.

2. Process.

a. Non-Monetary Prizes/Promotional Items

The department should submit an approved Check Request form for the payment or reimbursement of the prize. Documentation for the acquisition should include a copy of the public announcement of the prize offering along with required original receipt(s) or invoice(s) for prize. The name of the recipient or a listing of the recipients and their signature is required to accompany

the documentation for payment except in cases where the prize will be given at a time in the future. Once the prize is distributed, documentation of receipt is to be kept with the department or organization.

b. Procedures for Monetary Prizes

The department should submit an approved Check Request form for the payment prize along with the approved original prize plan, as well as, a copy of the public announcement of prize offering. Monetary prizes to employees are subject to federal payroll taxes; therefore, these should be submitted by the department to HR/Payroll to be handled through the payroll system.

3. Additional Requirements for Students

Monetary prizes to student employees who are being awarded a prize based on performance as a student will be paid through Accounts Payable. These payments will be flagged as 1099 reportable and the recipients may receive an IRS 1099 form at the end of the calendar year if reporting requirements are met.

D. Restrictions on Funding Prizes, Promotional Items, and Awards.

- a. Prizes, promotional items, and awards may not be purchased using State Education & General (E&G), Technology Fees, Indirect Costs or Restricted E&G funds, except where the value is *de minimis* (amounts of \$50.00 or less).
- b. **Procurement cards should not be used for payments of these expenses.**

Issued by the Chief Business Officer, the 1<sup>st</sup> day of December, 2015.

  
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Signature, Chief Business Officer

Reviewed by Vice President of Business and Finance:

  
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Previous version dated: N/A