Overview

This policy sets guidelines to employees who represent the University in their business operations. Employees are expected to uphold the integrity of the University in the highest manner when conducting business operations of the University with outside organizations, vendors and individuals. Along with prudent business judgment, employees are expected not to compromise business transactions in exchange for personal gifts.

In general, employees cannot accept gifts from outside sources for personal benefit. In some instances, if it furthers the University goals, promotional materials and business meals may be acceptable. Typically, business gifts, services, gratuities and entertainment are forms of courtesies designed to build and/or enhance teamwork, partnerships and goodwill between various business entities.

Ethical problems arise when these items compromise an individual’s ability to make objective and fair business decisions. For these reasons, employees should not accept gifts, services or gratuities from vendors or potential vendors.

If employees are uncertain about specific situations, they should consult their managers to obtain an objective perspective of the situation and should always choose the most cautious approach to avoid even perceptions of impropriety.
I. Definition of Terms 1
   A. Award 1
   B. Gift 1

II. General Policy 1

III. Employee Gift or Award 1
   A. Approval and Reporting Required 2
   B. Prohibited 2

IV. Non-Employee Gift or Award 2
   A. Approval and Reporting Required 3
   B. Prohibited 3

V. Students 3
   A. Approval and Reporting Required 3
   B. Prohibited 4

VI. Reference Table of Gifts and Awards 5

VII. Receiving Gifts and Gratuities Policy 6
   A. Allowable Gift 6
   B. Exercise Sound Business Judgment 7

VIII. Exceptions 8

IX. Exhibits 9
I. Definition of Terms

A. Award

Cash/check (given as additional compensation), gift card, gift certificate, or nonmonetary merchandise, given for meritorious performance; productivity; in recognition of an accomplishment, achievement or activity that does not require the performance of a service; or for any other valid business reason.

B. Gift

Nonmonetary items of nominal value ($100 or below) given to express appreciation or gratitude; not related to job performance and no negotiation conducted in advance. University of Hartford clothing that a department issues and requires be worn for business purposes is determined to not be a gift to the individual, and is not reportable.

II. General Policy

The Gift and Award Policy applies to the University's operating budget (fund 101000). All gifts and awards paid from Restricted Funds (funds 2xxxxx or 3xxxxx) must comply with donor intent or grant restrictions, and any applicable reporting requirements for tax purposes.

The University has determined its de minimis benefit value to be any amount not exceeding $100, for purposes of explaining any applicable fringe benefit to the Internal Revenue Service (“IRS”). This de minimis value applies to most situations that may occur.

The University generally authorizes its faculty and staff to receive appropriate gifts and awards, subject to this policy and each applicable federal, state or University purchasing expenditure requirements.

III. Employee Gift or Award

This policy permits University employees to receive a nonmonetary gift or award up to $100, subject to approval by an applicable University department, with no reporting requirement to the IRS. A University department may offer a nonmonetary gift or award to an employee or the employee's immediate family, based on an applicable employment relationship, for any one or more of the following events:

- departure of a long-term employee;
- retirement of an employee;
- illness of an employee or immediate family member requiring hospitalization;
- death of an employee or an employee's immediate family member (a donation to a charitable organization in memory of the individual in lieu of flowers is allowed);
- length of service; or
Gift and Award Policy

- achievement award.

Monetary gifts or awards to employees are considered additional compensation according to the IRS and must be processed through the Payroll Department.

A. Approval and Reporting Required

Non-monetary gift or award exceeding $100 to a University employee requires advance approval by an appropriate University Officer (i.e. President, Provost, or Vice President) and must be reported on the Non-Monetary Gift/Award Log (Exhibit A) and submitted to the University’s Payroll Department within 15 days of gift/award date. If taxable, the Payroll Department will report the compensation in the employee’s W-2 form according to federal and state requirements.

B. Prohibited

This policy prohibits the issuance of any monetary gift or award to any employee other than as additional compensation processed through Payroll.

The University prohibits gifts or awards of alcohol.

The University prohibits any University funds expenditure for any gift for a birthday, wedding, shower or other personal event. However co-workers retain the privilege to contribute personal funds for a purpose of that nature.

IV. Non-Employee Gift or Award

Non-employees are permitted to receive a monetary gift or award (including a gift card or gift certificate) up to $25 as set forth below:

- should not be in lieu of compensation;
- should be a token of appreciation; and
- should adhere to university gift or award policy.

The policy permits a University department to offer a non-monetary gift or award (should ideally bear the university logo) for up to $100 in value to a non-employee, as set forth below for each of the following occasion:

- recognition of any past accomplishment or activity;
- any valid business reason; or
- token of appreciation.
An award for up to $500 may be given under the following circumstances, with a valid and documented purpose:

- recognizing a contribution;
- honoring a distinguished visitor;
- cultivating a donor (or potential donor) relationship;
- extending courtesy to any dignitary, guest, volunteer, visitor, customer or client;
- substituting for an honorarium;
- honoring a lecture (speaker) in addition to compensation; or
- enhancing or facilitating recruitment.

A. Approval and Reporting Required

Gifts or awards exceeding $500 to a non-employee require advance approval by an appropriate University Officer.

Non-monetary gift or award exceeding $100 to a non-employee must be reported on the Non-Monetary Gift/Award Log and submitted, along with the recipient’s completed W-9 form, to the Financial Accounting Services Department within 15 days of gift/award date. Financial Accounting Services will file a form 1099-Misc to the IRS, to report any applicable monetary or nonmonetary value according to federal and state requirements.

B. Prohibited

This policy prohibits any gift or award to a non-employee in the form of cash or alcohol. Monetary gifts or awards to non-employees must be paid by University check.

V. Students

Students are permitted to receive a gift card or gift certificate up to $25, or a non-monetary award as set forth below:

- should not be in lieu of compensation;
- should be a token of appreciation; and
- should adhere to university gift or award policy.

Monetary gifts or awards to students must be processed through Financial Aid due to federal and state reporting requirements.

A. Approval and Reporting Required

Gifts or awards exceeding $500 to a student require advance approval by an appropriate University Officer.

Non-monetary gift or award exceeding $100 to a student must be reported on the Non-Monetary Gift/Award Log and submitted, along with the student’s completed W-9 form, to
the Financial Accounting Services Department within 15 days of gift/award date. Financial Accounting Services will file a form 1099-Misc to the IRS, to report any applicable monetary or nonmonetary value according to federal and state requirements.

B. Prohibited

This policy prohibits any gift or award to a student in the form of cash or alcohol.
## VI. Reference Table of Gifts and Awards

<table>
<thead>
<tr>
<th>Type of Gift/Award</th>
<th>Students</th>
<th>Non-Employees</th>
<th>Employees</th>
</tr>
</thead>
</table>
| Cash Payment       | • Must be processed through Financial Aid                                  | • Must be processed by Order for Check through the Financial Accounting Services Department  
|                    |                                                                          | • Gift or award up to $100 allowed, non-reportable                           |
|                    |                                                                          | • Award over $500 requires Officer approval                                  |
| Gift Cards/Certificates | • Up to $25 allowed, non-reportable                                                | • Up to $25 allowed, non-reportable                      |
| Non-Monetary Gifts | • Non-monetary gift up to $100 allowed, non-reportable                      | • Non-monetary gift up to $100 allowed, non-reportable                     |
|                    | • Non-monetary gift over $100 must be reported to the Financial Accounting Services Department for tax reporting | • Non-monetary gift over $100 must be reported to the Financial Accounting Services Department for tax reporting |
|                    | • Non-monetary gift over $500 requires Officer approval                   | • Non-monetary gift over $500 requires Officer approval                   |
|                    |                                                                          | • Non-monetary gift of up to $100 allowed, non-reportable                   |
|                    |                                                                          | • Non-monetary gift over $100 must be reported to the Payroll Department for tax reporting |
|                    |                                                                          | • Non-monetary gift over $100 requires Officer approval                   |
VII. Receiving Gifts and Gratuities Policy

This policy sets guidelines to any employee who represents the University in its business operations. Employees are expected to uphold the University’s integrity in the highest manner when conducting the University’s business operations with any outside organization, vendor or individual. Concurrent with exercising prudent business judgment, the University expects the employee not to compromise any business transaction in exchange for any personal gift or benefit.

The University recognizes that respective business entities frequently provide to one another business gifts, services, gratuities, or entertainment as a form of courtesy that is designed to build or enhance teamwork, alliance or goodwill. However, ethical problems arise when a provided item compromises an individual’s ability to make objective and fair business decisions.

The University prohibits its employees generally from accepting for personal benefit any gift or valuable item from any non-University source in connection with the University’s operations; and specifically from accepting any gift, service or gratuity from any current or potential vendor.

An infrequent exception to the preceding prohibitions may apply under a circumstance in which accepting a promotional material or business meal appropriately furthers the University goals. Further detail regarding this exception appears below.

A. Allowable Gift

The University permits its employees to receive any item that is given as a gesture of a professional relationship, without any express or implied commitment relating to any business transaction, if the item has no substantial commercial value, and is given as an unsolicited promotional material. Examples of permissible gift items for an employee include, without limitation:

- imprinted pencil;
- memo pad;
- calendar;
- coffee mug;
- t-shirt
- informational material that a vendor commonly gives to the general public (i.e., booklet, book, or audio or video tape); or
- non-cash raffle prize or draw at a conference or similar event that the employee attends in representing the University.

When University officials are on a mission abroad, visiting other domestic institutions or when officials from other institutions visit the University of Hartford, there is sometimes the expectation of a goodwill exchange of gifts. Because a refusal of a gift could offend the hosting officials, such gifts can be accepted.
If the gifts are of significant value (i.e. greater than $100 retail value), the recipient employee must either:

- consult with that employee’s department head regarding the gift’s disposition; and/or
- forward the gift to the University’s Purchasing Department for use at the University’s annual holiday party raffle.

The University permits its employees to receive a business meal that a prospective vendor provides, or at a professional meeting or conference where there is a clear benefit to the University from the employee’s attendance at the meal. Permitted examples include, without limitation:

- When individuals authorized to conduct University business visit the vendor’s business as part of an investigation of a vendor’s capability to service the University, or to review a new product or new facilities;
- When individuals perceive that continuing discussions with a vendor through mealtime has particular merit.

B. Exercise Sound Business Judgment

The University expects its employees to exercise sound business judgment. A decision to accept or decline an invitation or gift requires careful judgment and common sense. Accordingly, an excuse merely that “everyone else does it” neither overrides this policy, nor is a sufficient justification to accept a gift or gratuity.

An employee must carefully weigh each business interest involved against any possible public perception. In difficult situations, the following guiding questions can be used:

- **Is it clearly related to the conduct of business?**
- **Is it moderate, reasonable, of nominal value and in good taste?**
- **Would I feel comfortable owning up to the giving or receiving of this gift in front of other customers and vendors? Other employees? My manager? My family? The media?**
- **Do I feel any pressure to reciprocate or grant special favors as a result of this gift?**
- **Am I certain the gift does not violate any law, business regulation or University policy?**

If employees are still uncertain about specific situations, they should consult their managers to obtain an objective perspective of the situation and should always choose the most cautious approach to avoid even perceptions of impropriety.
VIII. Exceptions

In some instances, it may be in the best interest of the University to allow for exceptions from this policy. In such cases, the appropriate Vice President or Provost should request a written approval of any exception from the President or Vice President of Finance and Administration prior to the expense being incurred.
Exhibit A

Exhibit A – Non-Monetary Gift/Award Log - can be found on the University of Hartford’s Forms website:
https://ned.hartford.edu/forms/forms.htm