

System-wide Policy: FI0717 - Employee Gift Acceptance Policy	
Version: 3	Effective Date: 10/01/2017

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**Objective:**

To provide employees with an understanding of acceptable behavior regarding personal gifts offered by vendors, potential vendors, customers, potential employees or any other outside individual or organization. The policy is also intended to provide departments with guidance in giving employees work related awards. This policy does not apply to gifts to the University through our fund raising efforts. Those gifts are covered under [FI0315 - Gifts](#). This policy doesn't apply to gifts at retirement receptions. They are governed by [FI0720 - Retirement Receptions](#). This policy also does not apply to health care professionals at the University's Health Science Center and their interaction with health care vendors. These guidelines are addressed in the Health Science Center's fiscal procedure F125B – Conflict of Interests, Interactions between Health Care Professionals and Industry. Campuses have the option to establish more restrictive policies and procedures.

**Policy:****[General Policy](#)**

1. It is the policy of the University that all employees shall comply with the provisions of state and federal law governing the acceptance of gifts and

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gratuities and applicable conflict of interest regulations. In addition, employees must avoid the appearance of favoritism with regard to business relationships and are expected to act with integrity in the performance of their University responsibilities.

## **External Gifts**

### **Acceptable Gifts**

2. Acceptance of modest entertainment such as a meal or refreshments in connection with attendance at professional meetings and events sponsored by industrial, technical, professional, or educational associations is permissible. Moderately priced entertainment is also permissible as part of business meetings that advance the University's interests and relationships. Moderately priced entertainment is considered to be less than \$75 per gift or event. The employee should not receive more than three gifts from one vendor per calendar year.
3. Gifts presented to University officials as dignitaries representing the University at events are acceptable. Gifts of nominal value for speaking at events, conferences, civic organizations, and similar events are also acceptable. Honoraria are acceptable as long as they comply with the University's travel policy. [FI0705 - Travel](#).
4. Cards, thank you notes, certificates, or other written forms of thanks and recognition are also acceptable.

### **Unacceptable Gifts**

5. Cash, stocks, bonds or other negotiable instruments regardless of the dollar amount.
6. Any items with a value in excess of \$75 without written approval from the campus/institute chief business officer. The approval should document the business reason for accepting this gift.

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7. Gift cards, unless they are presented as a gift for speaking at an event or representing the University at an event. The value of the card should not exceed \$75.
8. Tickets to sporting events, theater, or similar entertainment passes such as rounds of golf or amusement park passes are not acceptable unless approved in advance and in writing by the chief business officer. The approval should document the business reason for accepting this gift.
9. Employees whose responsibility is the procurement of goods and services may not accept any gifts. Likewise, employees serving on committees that are evaluating products or services may not accept any gifts from vendors bidding on these items.
10. Gifts for retiring employees may not be purchased with university funds (including restricted and unrestricted.) [FI0720 - Retirement Receptions](#) provides more information about retirement receptions.

**Items Not Considered Gifts**[https://policy.tennessee.edu/fiscal\\_policy/fi0717/](https://policy.tennessee.edu/fiscal_policy/fi0717/) - top

11. Items received at conferences, seminars or training events that are distributed to all attendees. These items would include t-shirts, pens, trade show bags or similar giveaways. Likewise, food and beverages provided to all attendees at receptions, breaks or dinners are also not considered gifts. Door prizes awarded at these events are also not considered gifts, provided that all attendees had an opportunity to register and receive the prize.
12. Plaques, trophies or similar awards that recognize the accomplishment of an employee.
13. Discounted admission to conferences, trade shows or seminars whose sole business purpose is to assist the University in becoming proficient with a particular product or software or learn more about a particular service or industry. These items are not considered as gifts, since the University and not the employee is the beneficiary of this discount.

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14. De minimis items such as pens, mugs, calendars and other trinkets valued at less than \$25. It is deemed that these items are not significant enough to influence a person's decisions.
15. Complimentary trips to vendor operations, user conferences, client visits or other travel that is conducted as part of the University's due diligence in researching a product or service. These are not considered a gift provided that all potential vendors are afforded the same opportunities.
16. Discounts provided to all University employees by vendors through a University contract or in conjunctions with the Human Resources Department.
17. Gifts from potential donors or sponsors in connection with University fund raising efforts. Examples of these could include golf fees, meals, or travel expenses paid for by donors for University employees in their fund raising efforts.
18. Prizes awarded at University events sponsored through Human Resources.

#### **Employee Responsibility When Gifts are Received**

19. Employees are required to professionally inform vendors, potential vendors and others of this policy and request that they comply.
20. If an employee or department receives a gift that does not comply with this policy:
  - a. The gift should be returned to the vendor and the vendor requested to comply in the future.
  - b. In lieu of returning plants or flowers, they may be displayed in the lobby, or at another central location where all employees may enjoy their presence. The vendor should be notified to discontinue similar gifts in the future.
  - c. In lieu of returning gifts of food, they may be shared with the entire staff even if addressed to a single employee. Under no circumstances may an employee take a food gift home. The vendor should be notified to discontinue similar gifts in the future.

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## Internal Awards

### Awards

21. Work-related events may be acknowledged by the presentation of a non-cash award from the University to an employee for recognition. Such awards are intended to conform to the Internal Revenue Service (IRS) regulations in order to be excludable from an employee's gross income. Awards or compensation that are taxable in nature, should be processed through payroll and in accordance with applicable payroll policies. This would include compensation related to extra service pay or given as a result of an approved incentive based compensation plan.

### Acceptable Awards

22. An item of ***tangible personal property*** may be awarded to an employee in recognition of his or her noteworthy work-related accomplishments. These awards may be presented at an official University function coordinated through human resources or within the employee's department. Service awards through human resources are typically in recognition for years of service, whereas departmental awards will typically recognize stellar performance. Under IRS guidelines awards through human resources for length of service may not exceed \$400. Departmental awards should be of minimal value and not exceed \$75. Examples of departmental awards include, but are not limited to, a book, a plaque, or similar item.
23. Employee recognition awards are meant to be ***occasional*** and therefore must be presented to an employee on an infrequent basis. An employee should not receive more than ***one*** departmental award in a calendar year. Awards presented to an employee on a ***regular or routine*** basis do not meet the IRS test for income exemption and are not allowable. Employee awards should be charged to general ledger account 443200 Awards – Faculty and Other.

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### Unallowable Awards

24. Unallowable awards include cash, gift cards, recreational memberships, restaurant gift certificates and gifts for services such as spa treatments, golf lessons or tickets to sporting or culture events.
25. Gifts such as flowers for an expression of sympathy in the event of the death or major illness of an employee or a member of the employee's household or congratulatory gifts for weddings, birthdays or births are not permitted with university funds. Gifts may be purchased with funds donated by faculty, staff, or others but are not allowed to be processed through the university.

### Exceptions

26. Any exceptions to this policy must be approved in writing by the campus/institute chief business officer or designee and from the University Chief Financial Officer or designee before payment is made or gifts accepted.

### Contact

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