

GUIDELINES FOR RECOGNITION AT THE UNIVERSITY OF IOWA

- I. Introduction and Guiding Principles**
- II. Financial Stewardship**
- III. Recognition Practices**
- IV. Creating a Recognition Program**
- V. Campus Resources**

Revised July, 2006

I. Introduction and Guiding Principles

Recognition programs are a part of a healthy culture that values staff for the work we accomplish and the ways we effectively work together. All UI staff, whether as management or peers, are encouraged to recognize excellent performance of co-workers as individuals and as participants in team efforts.

For many years, campus-wide programs have been available to recognize UI staff. Those programs include: Outstanding Staff Awards, Board of Regents Staff Excellence Awards, Improving Our Workplace Award (IOWA), the Distinguished Achievement Award, the Jean Y. Jew Award and Staff Council Years of Service awards. These traditions will continue. In addition, it is appropriate that each department develop ways to formally and informally recognize staff using an open process.

Principles of Recognition

- ✓ A healthy workplace develops ways to recognize staff formally and informally.
- ✓ Being accountable for reward and recognition costs regardless of the funding source is consistent with our core value of stewardship of University resources.
- ✓ Departmental and University recognition practices have an open and fair process that makes recognition available to all staff.

II. Financial Stewardship

As financial stewards of University resources, all departmental recognition programs must:

- Ensure that all employees are afforded equal opportunity to qualify.
- Explain how the use of University funds is of primary benefit to the University by stating the business purpose of the funds to be expended.
- Document the use of funds, the funding sources and the criteria for qualification.
- Use only University-sponsored or non-profit government affiliated events for staff recognition purposes.
- Certify that UI Recognition Guidelines have been met through evaluation by the Senior Human Resources Representative and the budget officer of the department.

Restrictions on the use of funds for reward and recognition may be due to:

- State of Iowa rules
- University rules
- Payroll tax regulations
- Specific restrictions stated in grants or UI Foundation accounts
- Collective bargaining contracts with AFSCME, SEIU and COGS

III. The University of Iowa Recognition Practices

Non-cash Awards Practices:

- Non-cash awards must be made pursuant to an established departmental recognition program stating they are of primary benefit to the University.

Examples may include:

- plaques, mugs, printed certificates, or trophies (items should be personalized and not exchangeable)
- occasional tickets to a University of Iowa-sponsored sporting or cultural event or other non-profit, government-affiliated event
- State of Iowa “gift law” restrictions are likely to prohibit current or potential vendors from providing such benefits.
- There are no tax implications for individuals for the receipt of the above benefits if items are worth less than \$75. Gifts valued greater than \$75 are considered taxable and should be reported to Payroll.

Cash Awards, including Gift Certificates, Practices:

- The funding source must be appropriate, i.e. not GEF or grant-restricted. Check with the appropriate campus resources listed at the end of this document.
- Only staff who are not represented in collective bargaining are eligible for gift certificates meant for personal use.
- Use only University-sponsored or non-profit government affiliated events for staff recognition purposes.
- Staff represented in collective bargaining are not eligible to receive cash rewards or gift certificates for personal use. Cash and gift certificates (considered cash by IRS) may be perceived as wages which are subject to negotiation, and equally applicable to the entire bargaining unit.

Acceptable rewards for staff represented by collective bargaining may include:

- gift certificates for the purchase of work-related supplies and equipment,
- payment of professional development meetings or programs (provided they do not conflict with any training provisions under the specific collective bargaining agreement).
- providing a lunch, treat, or equivalent small value appreciation gift for team performance, or as part of a whole staff recognition program

Reporting Gift Certificates and Non-Cash Awards:

Any cash or gift certificate, whatever its funding source, will be processed through UI Payroll and may have tax implications.

- All cash awarded should be reported to Payroll by using the Special Compensation form in the HR Web Transaction System.
- All gift certificates of any amount should be reported to Payroll. Departments must maintain a list of gift certificates given to staff, including gift date, amount, name and University ID of recipient. Each year, send a copy of the list as an Access or Excel file to Payroll by November 15th

- Staff who handle cash or gift certificates must follow UI cash handling procedures. See <http://www.bo.uiowa.edu/cashhandling/>
- Non-cash gifts valued at greater than \$75 are considered taxable and should be reported to Payroll. Gifts valued at \$75 or less are considered *de minimus* and not required to be reported to Payroll.
- If a staff member receives non-cash gifts totaling \$400 or more during a calendar year (IRS regulation), Payroll needs to be informed.

Non-Taxable Awards:

Income from an employee achievement award is excluded from an employee's taxable income only if the award meets ALL the following requirements:

1. It must be given for length of service or safety achievement, and
2. be tangible personal property, other than cash, gift certificates or equivalent items, and
3. be given under conditions and circumstances that do not create a significant likelihood of the payment of disguised compensation, and
4. be given as part of a meaningful presentation, and
5. be no more than \$400 in worth annually.

This exclusion from taxable income does not apply to:

1. A length-of-service award received for less than 5 years of service; or
2. A length-of-service award if the same employee received another length-of-service award during the current year or the previous 4 years; or
3. A safety achievement award if the employee is a manager, administrator, clerical employee, or other professional employee; or
4. A safety achievement award if more than 10% of eligible employees previously received safety achievement awards during the year.

**Food, Beverage, Flowers, Gifts and Similar Incidental Expenses:
Modified Policy – Updated July 1, 2006**

1) Food and beverage expense (may be paid from any source of funds) and alcohol (if paid from an agency fund 950-997 or from a gift fund 520), may be approved for reimbursement if the following conditions have been met:

- A) A written justification documenting a clear University purpose for incurring the expense. Examples of University purposes include but are not limited to the following:
 - a. business meetings
 - b. UI sponsored conferences
 - c. recognition events
 - d. recruitment
 - e. training
 - f. new employee orientation
 - g. lectures, symposia, presentations
 - h. student orientation and support events

- B) In addition to a clear business purpose the written justification should include an explanation of why food or beverage was required at the meeting.
- C) Allowance for food and beverages expense is limited to \$40 per person if food only or \$75 per person for food and alcohol combined. Exceptions must be approved by the Executive Vice President and Provost, or, the Senior Vice President and Treasurer. This policy does not apply to regular travel meal per diems. Travel reimbursement is subject to the guidelines found in Operations Manual V.22. See <http://www.uiowa.edu/~our/opmanual/v/22.htm>.
- D) Reimbursement for recognition events is contingent upon the department having an approved "Rewards and Recognition" plan on file in the department.

2) Flowers, gifts and other similar incidental expenses may be approved for reimbursement from any fund if there is a clear University purpose for incurring the expense that is documented in writing. Examples of University purposes include but are not limited to the following:

- A) Death, birth or other significant event in the lives of employees, family members, important dignitaries
- B) Recognition events, including retirement
- C) Special events sponsored by a vice president or dean
- D) Special University-wide events

3) Requests for payment or reimbursement require two approval signatures. The person coordinating the event should sign. In addition, one of the following must approve reimbursement: the DEO, Business Officer of the college or division, Dean or Vice President of the employing division.

IV. Creating a Recognition Program

Concepts and Tools to Guide You:

- Recognition is often more effective than rewards because it is likely to be timely, specific, frequent, personalized, and available to every employee.
- According to research, rewards are more effective when accompanied by recognition, i.e. personal or public acknowledgement.
- To be effective, rewards and recognition need to be personally meaningful to the recipient(s). What is meaningful may vary by individual.
- Communications about the rewards should not convey that they are entitlements.
- Develop and implement your program so it will be perceived as appropriate by the UI community and the public.
- All University funds are to be used for the benefit of the University. Check with your Human Resources representative or the campus resources below when questions arise.

Establish a written departmental recognition program

- Clearly state your department's commitment to recognizing staff effort, and ways to achieve it.
- Provide award criteria and a transparent process for defining eligibility.
- Provide the process of recognition, including the stated business purpose that denotes the primary benefit to the University, specific responsibilities in maintaining program, and stated funding sources for expenses.
- Have the Senior HR administrator and the Budget Officer of the department evaluate and sign the acceptance of the written departmental program.
- Contact campus resources (listed below) to ensure that policies are being followed.

V. Campus Resources

- Human Resources Representative for your unit/department
- General Counsel: 335-3696 or UIHC External Relations: 356-4009
- Office of the Provost: 335-0139
- Payroll: 335-2374
- Controller: 335-2791
- Accounts Payable: 335-3815
- Sponsored Programs: 335-2123
- UI Organizational Effectiveness, for assistance and consultation: 335-0560

- ✓ A template to assist you in developing your program is available at http://www.uiowa.edu/hr/oe/worklife/RnR/dept_recognition.pdf
- ✓ A sample survey is available at <http://www.uiowa.edu/hr/oe/worklife/RnR/empsurvey.shtml>
- ✓ Reward and Recognition website: <http://www.uiowa.edu/hr/oe/worklife/RnR/index.shtml>

**Thanking and giving credit for staff efforts
has no restrictions.**

