

## FAQs for Hospitality

Administrative Guidelines for Hospitality Expenses may be found at: <http://www.csulb.edu/misc/adminguidelines/>

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## FAQs for Gifts

Administrative Guidelines for (1) Employee Awards and Non Cash Gifts or (2) Gifts Presented to Non-Employees may be found at: <http://www.csulb.edu/misc/adminguidelines/>

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## Frequently Asked Questions: Hospitality & Gifts

### **Q: Who is expected to follow the Hospitality Policy?**

**A:** The policy applies to all hospitality expenses incurred by the University, the Foundation, The Forty Niner Shops and Associated Students Inc. The Auxiliaries and departments may choose to implement more restrictive policies.

### **Q: What events are not considered hospitality?**

**A:** Many events and activities are not considered to be true business hospitality. Generally, if there is no guest-host relationship and/or the event is not hosted by the University or one of its representatives.

Such events include officially recognized events hosted or sponsored by the University of Foundation where the majority of the participants are expected to be from outside the University community (eg. conferences, forums, tournaments, auto shows, etc.); third party events not hosted by the University or Foundation but in which employee attendance is considered appropriate (eg. award banquets, recognition dinners, etc); and integral grant expenditures (eg. a training grant or food bank).

Supply related items such as snack foods for the childcare center, food for farm or lab animals, items used in research or beverages for the President's visitors are not considered hospitality expenses.

### **Q: What is the allowable per-person maximum for hospitality?**

**A:**

Meal type	Maximum per person	Maximum before July 1, 2007
Breakfast	\$23	\$18
Lunch	\$34	\$30
Dinner	\$58	\$45
Light refreshment	\$15	\$12

When a hospitality expense exceeds the per-person maximum provided in the chart above, the hospitality is considered exceptional. Exceptions require a written justification for the overage and the approval from a Vice President, the Director of Athletics, or the Auxiliaries Executive Officer/General Manager. **This authority may not be delegated any further.**

Note: The fact that actual costs exceed the authorized rates is not, in itself, adequate justification for an exception request for overages. The justification must include why adherence to policy was unavoidable and necessary to achieve a University business purpose.

### **Q: How is the per person maximum calculated?**

**A:** The person maximum is calculated by dividing the total amount charged for food, beverage, tax, gratuity and service charge by the total number of actual attendees. If food is being ordered, the estimated number of attendees should be used when choosing the appropriate menu items.

### **Q: Who can approve standard hospitality?**

**A:** In order to ensure that the approval of hospitality is entirely independent, individuals with delegated approval authority shall not approve the expenses of a person to whom they directly report. The approving authority is the next highest level.

Standard hospitality may be approved by the Vice President, Associate Vice President, College Dean, Executive Assistant to the President (or higher level), the Director of Athletics and the Auxiliaries Chief Executive Officers.

College Deans may delegate authority only to the Associate Dean and/or Administrative Services Manager. Division Heads may only delegate approval authority to their Fiscal Officer.

**This authority may not be delegated any further.**

A Principal Investigator or Project Director, who is also a Dean, may approve project or grant expenditures other than their own. The next highest level of approval is required for expenses incurred by a Principal Investigator or Project Director that is also a Dean.

ASMs who are a Principal Investigator or Project Director may not approve expenses for their own project or grant. A Dean or higher level of approval is required.

**Q: Who can not approve hospitality expenses?**

**A:** Principal Investigators or Project Directors of the Foundation do not have authority to approve hospitality expenses. This is applicable for both discretionary accounts and grant accounts. A Dean may not delegate signature authority to a Principal Investigator or Project Director.

A Principal Investigator or Project Director, who is also a Dean, may approve project or grant expenditures other than their own. The next highest level of approval is required for expenses incurred by a Principal Investigator or Project Director that is also a Dean.

ASMs who are a Principal Investigator or Project Director may not approve expenses for their own project or grant. A Dean or higher level of approval is required.

**Q: Is an original receipt required? What if the receipt is unavailable?**

**A:** Two things are required of a receipt to substantiate a hospitality expense: (1) demonstration of cost – what was purchased and (2) proof of payment. The host is required to provide receipts that food, beverage, tax, service and gratuity charges.

For an amount \$50 or more, an original itemized receipt is required. A credit card receipt alone is not sufficient. If an original receipt is unavailable, provide a photocopy of the receipt.

If a copy is provided, complete a Request for Exception to Policy and include an explanation that the receipt is lost or unavailable and the reason. If using CSU Operating funds, you must also indicate if alcoholic beverages were purchased.

Requests for Exceptions may only be approved by the Vice Presidents, the Director of Athletics, and the Auxiliaries Executive Officer/General Manager. **This authority may not be delegated any further.**

**Q: Do I need a guest list...always?**

**A:** A guest list is required including participant names, their titles, and affiliation to the University. For a large function with 100 or more participants, it may not be feasible to provide a guest list so a copy of the flyer, invitation or other announcement may be provided in lieu of a guest list. Examples of large events are guest lecture receptions, Kaleidoscope, parent or student orientation weekends, graduation receptions, department open houses, etc.

**Q: Will the University reimburse or pay hospitality expenses for a spouse or significant other?**

**A:** Hospitality expenses of a spouse or significant other of the guest or the official host may be reimbursed as an exception to policy provided the attendance of that person serves a bona fide University business purpose. Participation in official University functions that require the attendance of a spouse or domestic partner may be considered a bona fide business purpose. Following are examples of events that may require the attendance of a spouse or significant other.

**Recruitment:** At some recruitment functions it is customary for the spouse of a host or guest to be present. On such occasions, you can reimburse or pay for the hospitality expense related to the spouse or significant other. You must explain the business related purpose for such attendance and acquire exceptional approval on the Request for Payment/Reimbursement of Hospitality Expense form.

**Fund raising:** A spouse's participation is sometimes integral to the success of fund-raising events. On such occasions, you can reimburse or pay for the hospitality expense related to the spouse or significant other. You must explain the business related purpose for such attendance and acquire exceptional approval on the Request for Payment/Reimbursement of Hospitality Expense form.

**University functions:** Spouses can act as CSULB representatives at official functions, such as hosting receptions for new students or faculty. On such occasions, you can reimburse or pay for the hospitality expense related to the spouse or significant other so long as the guests are official and the hospitality relates directly to CSULB business. You must explain the business related purpose for such attendance and acquire exceptional approval on the Request for Payment/Reimbursement of Hospitality Expense form.

In the context of hospitality, a significant other is the non-married partner of a CSULB staff or faculty member. This term applies to both same-sex and different-sex couples.

**Q: Will the University pay or reimburse hospitality expenses that include alcohol?**

**A:** Enterprise funds may be used to pay for or reimburse the cost of alcohol as long as there are no restrictions on the funding source disallowing the expense.

The CSU Operating Fund may not be used to pay for or reimburse these types of events.

**Q: Will the University pay or reimburse for a “working lunch”?**

**A:** The cost of a working lunch, either on or off campus, may be paid for or reimbursed by the University if it is included as part of a scheduled meeting that takes place over an extended period of time or could not be held during normal business hours.

Reimbursement or payment will not be allowed when two or more persons from the same work location choose to go to lunch together to continue their business as an incidental part of the meal or when the meeting could have been held during normal business hours.

**Q: What are allowable funding sources for hospitality?**

**A:** Official hospitality expenses may be paid from various University funding sources. Funds include CSU Operating Fund (GF001) and Reimbursed Activities (RA001). Other eligible funding sources for use with Hospitality are Housing, Parking, Miscellaneous Trust, UCES Trust funds and funds maintained by the Auxiliary organizations.

If Federal funds are to be charged, directly or indirectly, campus procedures and controls must be in place to ensure that the requirements of OMB Circular A-21 Cost Principles for Educational Institutions are met.

In the event of a conflict between the terms of the fund (eg. funding source) and University policy, the stricter of the two policies shall apply.

**Q: What funding sources are not allowed for hospitality?**

**A:** Funds not listed as allowable funds are excluded from use with Hospitality expenses.

**Q: What are allowable hospitality expenses and occasions using the CSU Operating Fund – GF001?**

**A:** Hospitality is considered allowable when there is a guest-host relationship, the purpose is official business hospitality, and the nature and cost of the event is within the limits of the hospitality guidelines.

Examples of allowable situations using CSU Operating funds are: hospitality to official guests; meetings of a learned society or organization; meetings of an administrative nature; student oriented meetings; prospective university donors and donor cultivation; receptions held in connection with conferences, fundraising events, employee recognition, length of service awards, retirements; and fee supported functions such as commencement receptions, UCES self supported classes and other non-credit programs.

**Q: What are allowable hospitality expenses and occasions using Enterprise Funds?**

**A:** Hospitality is considered allowable when there is a guest-host relationship, the purpose is official business hospitality, and the nature and cost of the event is within the limits of the hospitality guidelines and are not restricted by the fund.

Examples of allowable situations using Enterprise Funds are: payment/reimbursement for alcoholic beverages; meetings attended only by employees of the same work location; faculty/staff picnics or holiday gatherings; social events such as employee birthdays, anniversaries, showers, farewells (other than retirement); and non-fee supported events such as departmental commencement receptions.

**Q: What types of hospitality expenses are not allowable in any fund?**

**A:** Reimbursement or payment of an expense that will be considered taxable income to an employee and that are not in compliance with IRS regulations. Examples are:

- Payment or reimbursement of expenses that are not allowed by University policy
- Expenses that are lavish or extravagant under the circumstances
- The entertainment (hospitality) activity is not directly related to the employee's job
- The official host or another University employee is not present when the activity takes place
- The expense is not substantiated with appropriate supporting documentation,
- Business meals with faculty, staff, or other colleagues that are frequent (eg. that occur on a regular or routine basis) and are reciprocal

**Q: What is Hospitality?**

**A:** At CSULB, "hospitality" is the provision of meals (eg. catered, restaurant, grocery purchase) or light refreshments (eg. beverages, hours d'oeuvres, pastries, cookies, etc.) for a bona fide CSULB business purpose. Hospitality usually involves a guest-host relationship in which a designated host invites an official guest or guests to attend an event. There should be no personal benefit to the person acting as host or to other employees.

**Q: Who can be an Official Host?**

**A:** A CSULB employee representing the University or Foundation who hosts, chairs or sponsors a meeting, conference, reception or event. The official host is not required to be present at the function.

The official host may not be a department – it must be an individual.

**Q: Who can be considered an Official Guest?**

**A:** A person invited by an official host to attend a University meeting, conference, reception or event. Official Guests may include but are not limited to recruitment candidates, donors, visitors from other colleges and universities, members of the community and employees from another work location.

**Q: What is a Business Expense?**

**A:** A business expense is one that has an appropriate business purpose and where a clear University-related objective is demonstrated instead of a personal or social one.

**Q: What is the definition of a “work location”?**

**A:** A work location is where the major portion of an employee’s working time is spent or where an employee returns during normal business hours upon completion of special assignments.

The CSULB campus and all of its Auxiliaries are considered to be the same work location.

**Q: What is a team building or employee morale-boosting event?**

**A:** Enterprise funds may be used to pay for or reimburse the cost of meals or light refreshments for team building or employee morale-boosting events as long as there are no restrictions on the funding source disallowing the expense.

Faculty/staff picnics or holiday gatherings serve the business purpose of team building events.

Social events such as employee birthdays, anniversaries, showers, farewell gatherings (except retirement), etc may be considered employee moral boosting occasions. Such events may include employees and spouses, significant others or special guests.

The **approving** authority should evaluate these events in terms of cost, benefit, availability of funds, and alternatives that would be equally effective in accomplishing desired business objectives.

The CSU Operating Fund may not be used to pay for or reimburse these types of events.

**Q: What is considered a “working lunch”?**

**A:** A “working lunch” is when the meal is an integral part of an administrative meeting, not a matter of personal convenience. Such a lunch may be held on or off campus and should take place over an extended period of time. The agenda for the meeting should indicate no break for lunch and work will continue during the meal.

**Q: What is Exceptional Hospitality?**

**A:** Hospitality is considered exceptional when expenses exceed the per-person maximum for the event; expenses for a spouse or significant other are included and a business purpose is demonstrated; the event is not hosted by the University or Foundation; there is missing appropriate documentation; and any other type of hospitality expense that is not specifically included in the hospitality policy.

Approval for exceptions to the hospitality policy has been delegated to the Vice Presidents, the Director of Athletics, and the Auxiliaries Executive Officer/General Manager. **This authority may not be delegated any further.**

**Q: Who can approve exceptions to the hospitality policy?**

**A:** In order to ensure that the approval of hospitality is entirely independent, individuals with delegated approval authority shall not approve the expenses of a person to whom they directly report. The approving authority is the next highest level.

Approval for exceptions to the hospitality policy has been delegated to the Vice Presidents, the Director of Athletics, and the Auxiliaries Executive Officer/General Manager. **This authority may not be delegated any further.**

**Q: Who is expected to follow the Gift Policies?**

**A:** The policies apply to all award and non-cash gift expenses incurred by the University, the Foundation, The Forty Niner Shops and Associated Students Inc. The Auxiliaries and departments may choose to implement more restrictive policies.

**Q: Can my department buy a gift for an employee? Under what circumstances and how much money can be spent?**

**A:** University policy and IRS rulings permit awards and non-cash gifts to employees for the recognition of length of service, work accomplishment or retirement, as well as an expression of sympathy or congratulations. Examples of such awards and gifts may be found in the Administrative Guidelines on Awards and Non-Cash Gifts to Employees located at: [http://www.csulb.edu/misc/adminguidelines/pdf/finmanage/noncashgifts\\_employees.pdf](http://www.csulb.edu/misc/adminguidelines/pdf/finmanage/noncashgifts_employees.pdf)

Any gift or award made to an employee must not result in taxable income to the recipient or it is not an award or gift. In addition, the expenditure of funds for gifts and awards should be cost effective and in accordance with the best use of public funds.

When determining if a gift is appropriate, the occasion must, in the best judgment of the approving authority, be infrequent, based on objective criteria and serve a clear University business purpose. The approving authority must also evaluate the importance of the occasion in terms of the costs that will be incurred; the benefits to be derived from such an expense; the availability of funds; and any alternatives that would be equally effective in accomplishing the desired objectives.

**Q: Can my department buy a gift for a non-employee? Under what circumstances and how much money can be spent?**

**A:** University policy and IRS rulings permit the presentation of gifts to non-employees when the gift or contribution will benefit the University or clearly helps the University meet its role as a good community citizen. Examples of such gifts and procedures for approving them are found in the Administrative Guidelines on Gifts Presented to Non-Employees located at: [http://www.csulb.edu/misc/adminguidelines/pdf/finmanage/gifts\\_nonemployees.pdf](http://www.csulb.edu/misc/adminguidelines/pdf/finmanage/gifts_nonemployees.pdf)

Gifts are presented when tradition, commonly accepted institutional practice, or social custom dictates such an occasion. A gift of moderate expense may be presented to non-University individuals or organizations when the gifts are made on behalf of the University.

Any gift made to outside individuals or organizations must not result in taxable income to the recipient or it is not a gift. In addition, the expenditure of funds for gifts should be cost effective and in accordance with the best use of public funds.

When determining if a gift is appropriate, the occasion must, in the best judgment of the approving authority, be infrequent, based on objective criteria and serve a clear University business purpose. The approving authority must also evaluate the importance of the occasion in terms of the costs that will be incurred; the benefits to be derived from such an expense; the availability of funds; and any alternatives that would be equally effective in accomplishing the desired objectives.

**Q: What are the dollar limits for employee awards and non-cash gifts?**

**A:** The maximum allowable amount for employee awards and non-cash gifts shall not exceed the following:

Occasion	Maximum Amount Allowed*	Maximum before July 1, 2007
Length of Service; Work Achievement; Retirement Awards	\$400.00	\$250.00 No Exception \$250.01 - \$400.0 with Exception
Parking Permits	\$195.00	\$195.00
Transit Passes	\$100.00	\$100.00
Promotional Gifts	\$50.00	\$50.00
Congratulatory or Sympathy Gifts	\$90.00	\$75.00

\*Footnotes:

- (1) Reimbursement or payment for amounts greater than those listed is not allowed except for congratulatory or sympathy gifts.
- (2) Reimbursement or payment for congratulatory or sympathy gifts greater than \$90.00 requires exceptional approval.
- (3) These amounts include taxes but do not include incidental costs such as engraving, gift wrapping or mailing.

**Q: What are the dollar limits for non-employee gifts?**

**A:** The maximum allowable amount for non-employee gifts shall not exceed the following:

Occasion	Maximum Amount Allowed*	Maximum before July 1, 2007
Appreciation or Recognition	\$400.00	\$400.00
Promotional Gifts	\$ 50.00	\$ 50.00
Congratulatory or Sympathy Gifts	\$ 90.00	\$ 75.00

\*Footnotes:

- (1) Reimbursement or payment for amounts greater than those listed is not allowed except for congratulatory or sympathy gifts.
- (2) Reimbursement or payment for congratulatory or sympathy gifts greater than \$90.00 requires exceptional approval.
- (3) These amounts include taxes but do not include incidental costs such as engraving, gift wrapping or mailing.

**Q: I want to pay for or get reimbursed for a gift. What should I do?**

**A:** Determine if gift is to an employee or non-employee and complete the appropriate form:  
Request for Payment of Non-Cash Award to University Employee and Sympathy Gifts or  
Request for Payment of Gifts Presented to Non-Employees on Behalf of the University.

Provide the following information:

- Name & Title of University Official Presenting the Award (in this case, gift) – this must be a person
- Name & Title of Employee or Person receiving the Award or Gift
- Location and Date of Event
- Description of item purchased
- Chartfield information – GF001 or RA001 may not be used for these types of gifts
- Total Cost (may not exceed \$90.00 per department/office. This amount includes taxes but does not include incidental costs such as engraving, gift wrapping, mailing, or delivery charges.)
- Itemized invoice showing all costs if payment is to be made directly to the vendor
- Itemized receipt that demonstrates what was purchased and the form of payment if a reimbursement

Obtain appropriate level of approval.

- Payment or reimbursement for gifts to non-employees may only be approved by the Vice President, Associate Vice President, College Dean, Executive Assistant to the President (or higher level), the Director of Athletics and the Auxiliaries Chief Executive Officers. This authority may not be re-delegated.
- Approval for gifts to employees may be delegated to the Administrative Services Manager or Fiscal Officers. It may not be delegated any further.

**Q: I want to send a gift of sympathy or congratulations. What should I know?**

**A:** Sympathy or congratulatory expressions may be made in the form of a tangible gift to employees and non-employees or to a member of their family or household.

- The cost of such gifts is limited to \$90.00 per department/office. This amount includes taxes but does not include incidental costs such as engraving, gift wrapping, mailing, or delivery charges.
- Gifts that exceed this amount will require a written justification and exceptional approval.
- Payment or reimbursement for gifts to non-employees may only be approved by the Vice President, Associate Vice President, College Dean, Executive Assistant to the President (or higher level), the Director of Athletics and the Auxiliaries Chief Executive Officers. This authority may not be re-delegated.
- Approval for gifts to employees may be delegated to the Administrative Services Manager or Fiscal Officers. It may not be delegated any further.
- The CSU Operating Fund or Federal funds may not be used to pay for or reimburse these types of gifts
- Charges to Trust Funds, Auxiliary funds and Contract/Grant funds are only permitted if there are no restrictions within the fund.

**Q: I want purchase logo shirts for my staff. What should I know?**

**A:** The University and Foundation Policy for Employee Awards and Non-Cash Gifts applies in this situation. Logo shirts are considered “promotional items” and may be given to an employee to promote the name, image and programs of the University; to provide information; to enhance the university morale or encourage good customer relations.

The value of promotional items may not exceed \$50.00. That means each shirt may not cost more than \$50.00 – no exceptions.

- Payment or reimbursement for promotional items may be approved by the Vice President, Associate Vice President, College Dean, Executive Assistant to the President (or higher level), the Director of Athletics and the Auxiliaries Chief Executive Officers. This authority may be delegated to the Administrative Services Manager or Fiscal Officers. It may not be delegated any further.
- The CSU Operating Fund or Federal funds may not be used to pay for or reimburse these types of gifts
- Charges to Trust Funds, Auxiliary funds and Contract/Grant funds are only permitted if there are no restrictions within the fund.

**Q: I want to pay for or get reimbursed for the purchase of logo shirts. What should I do?**

**A:** Complete the Request for Payment of Non-Cash Award to University Employee and Sympathy Gifts form.

Provide the following information:

- Name & Title of University Official Presenting the Award (in this case, a promotional gift) – this must be a person
- Name & Title of Employee(s) receiving the shirts – a complete list of names is required
- Location and Date of Event
- Description of item purchased
- Chartfield information – GF001 or RA001 may not be used for these types of gifts
- Total Cost (may not exceed \$50.00 per logo item per person)
- Itemized invoice showing all costs if payment is to be made directly to the vendor
- Itemized receipt that demonstrates what was purchased and the form of payment if a reimbursement

Obtain appropriate level of approval.

- Payment or reimbursement for promotional items may be approved by the Vice President, Associate Vice President, College Dean, Executive Assistant to the President (or higher level), the Director of Athletics and the Auxiliaries Chief Executive Officers. This authority may be delegated to the Administrative Services Manager or Fiscal Officers. It may not be delegated any further.

**Q: Who can approve awards or non-cash gifts to employees?**

**A:** Approval for all official University Employee Awards and Non-Cash Gift expenses must be obtained at the appropriate level. Individuals with delegated approval authority shall not approve requests for expenses of events for which they were the Official Presenter or of a person to whom they directly report. The approving authority is the next highest level of the Official Presenter.

Payment or reimbursement for official University Employee Awards and Non-Cash Gift expenses may be approved by the Vice President, Associate Vice President, College Dean, Executive Assistant to the President (or higher level), the Director of Athletics and the Auxiliaries Chief Executive Officers. This authority may be delegated to the Administrative Services Manager or Fiscal Officers. It may not be delegated any further.

Principal Investigators or Project Directors of the Foundation do not have authority to approve gift expenses. This is applicable for both discretionary accounts and grant accounts. A Dean may not delegate signature authority to a Principal Investigator or Project Director.

A Principal Investigator or Project Director, who is also a Dean, may approve project or grant expenditures other than their own. The next highest level of approval is required for expenses incurred by a Principal Investigator or Project Director that is also a Dean.

ASMs who are a Principal Investigator or Project Director may not approve expenses for their own project or grant. A Dean or higher approval is required.

**Q: Who can approve gifts to non-employees?**

**A:** Approval for all official University gift expenses to non-employees must be obtained at the appropriate level. Individuals with delegated approval authority shall not approve requests for expenses of events for which they were the Official Presenter or of a person to whom they directly report. The approving authority is the next highest level of the Official Presenter.

Payment or reimbursement for gifts to non-employees may only be approved by the Vice President, Associate Vice President, College Dean, Executive Assistant to the President (or higher level), the Director of Athletics and the Auxiliaries Chief Executive Officers. This authority may not be re-delegated.

Principal Investigators or Project Directors of the Foundation do not have authority to approve gift expenses. This is applicable for both discretionary accounts and grant accounts. A Dean may not delegate signature authority to a Principal Investigator or Project Director.

A Principal Investigator or Project Director, who is also a Dean, may approve project or grant expenditures other than their own. The next highest level of approval is required for expenses incurred by a Principal Investigator or Project Director that is also a Dean.

**Q: What are allowable funding sources for gifts?**

**A:** Official gift expenses may be paid from various University funding sources. Eligible funding sources for use with gift expenses are Housing, Parking, Miscellaneous Trust, UCES Trust funds and funds maintained by the Auxiliary organizations.

The CSU Operating Fund (GF001) and Reimbursed Activities Fund (RA001) may only be used for promotional gift expenses. These funds may not be used for any other type of gift expense.

If Federal funds are to be charged, directly or indirectly, campus procedures and controls must be in place to ensure that the requirements of OMB Circular A-21 Cost Principles for Educational Institutions are met.

In the event of a conflict between the terms of the fund (eg. funding source) and University policy, the stricter of the two policies shall apply.

**Q: What funding sources are not allowed for gifts?**

**A:** Funds not listed as allowable funds are excluded from use with gift expenses.

The CSU Operating Fund (GF001) and Reimbursed Activities Fund (RA001) may only be used for promotional gift expenses. These funds may not be used for any other type of gift expense.

**Q: What are allowable gift expenses using the CSU Operating Fund – GF001?**

**A:** The CSU Operating Fund (GF001) and Reimbursed Activities Fund (RA001) may only be used for promotional gift expenses. These funds may not be used for any other type of gift expense.

Promotional gifts are items having a non-material value (not exceeding \$50) and

- Bears the logo, icon or other information identifying the University
- Is one of a number of identical items distributed by the University
- Examples include, but are not limited to: pens, mugs, folders, calendars or clothing

**Q: What are allowable gift expenses using Enterprise Funds?**

**A:** A gift or employee award is considered allowable when they are infrequent and serve a clear University business purpose. The gift or award must be within the limits of the gift guidelines and not otherwise restricted by the fund.

The gift or award must not result in taxable income to the recipient. Gifts should be cost effective and in accordance with the best use of public funds

Examples of occasions where gifts charged to Enterprise Funds are allowable: length of service, work achievement, retirement, congratulatory, sympathy, appreciation, or recognition. Promotional items may also be charged to Enterprise Funds.

**Q: What types of gift expenses are not allowable in any fund?**

**A:** Any gift that is taxable is not allowable. Expenses for such awards and gifts cannot be reimbursed from any funding source or approved as an exception to this policy. Unallowable awards and gifts include, but are not limited to, the following:

- Gifts or awards of cash
- Gifts of bottled alcoholic beverages or tobacco products
- Negotiable gift certificates (those that can be exchanged for cash)
- Parking permit in excess of \$195
- Transit passes in excess of \$100
- Length of service or retirement awards in excess of \$400
- Season tickets to sporting or cultural events
- Holiday, Birthday, Shower, etc. gifts
- Gifts in excess of policy limits
- Lavish or extravagant expenses
- Expenses not substantiated with appropriate supporting documentation

Gifts may not be presented:

- a. To any individual or organization associated either directly or indirectly with a political party, campaign, candidate, or a group engaged in an attempt to influence legislation, elections, referendums, or the like.
- b. When any conflict of interest exists. For example, a personal or social relationship exists between presenter and/or approving authority and recipient.
- c. When the business reason for making the gift or the nature of the business benefit the University derived or expects to derive is not documented in writing.

**Q: What is an Award?**

**A:** An award is a non-cash item of tangible personal property meant to be occasional and presented on an infrequent and non-discriminatory basis to an employee.

**Q: What is a Business Expense?**

**A:** A business expense is an expense that has an appropriate business purpose and one where a clear University-related objective is demonstrated instead of a personal or social one.

**Q: What is an Exception?**

**A:** An exception is an award or non-cash gift that is not in accordance with the gift policies. Examples include but are not limited to expenses that exceed the maximum rates specified; missing appropriate documentation, and any other type of award or non-cash gift expense that is not specifically included in either policy.

**Q: What is considered Gift?**

**A:** A gift is a non-cash item of tangible personal property given directly or indirectly to a person. A gift given to a company that is intended for the eventual personal benefit of a particular person is considered an indirect gift to that person. A gift given to a person's family is generally considered to be a gift to that person.

**Q: What is an Incidental Cost?**

**A:** An incidental cost is one that does not add substantial value to the gift. Examples are engraving, packaging, insuring, mailing and gift-wrapping.

**Q: What does Non-Negotiable mean?**

**A:** Non-negotiable confers only the right to receive tangible personal property, not cash or cash for the difference between the purchase price and the value of the gift purchase.

**Q: What are Promotional Items?**

**A:** Promotional gifts are items having a non-material value (not exceeding \$50) and

- Bears the logo, icon or other information identifying the University
- Is one of a number of identical items distributed by the University
- Examples include, but are not limited to: pens, mugs, folders, calendars or clothing

The CSU Operating Fund (GF001) and Reimbursed Activities Fund (RA001) may be used for promotional gift expenses.

**Q: Who can be an Official Presenter?**

**A:** The Official Presenter is an employee representing the University or Foundation who presents the gift or award to the recipient.

**Q: Who can be a Recipient?**

**A:** The Administrative Guidelines on Employee Awards and Non Cash Gifts requires the recipient to be an employee of the University or Foundation.

The Administrative Guidelines on Gifts to Non-University Employees defines recipient as someone not employed by the University or Foundation. Individuals or organizations eligible to receive gifts include, but is not limited to, donors or potential donors; visiting dignitaries and/or scholars; volunteers (including students); clientele; independent consultants; and members of the local community.

**Q: The gift did not comply with policy. What should I do?**

**A:** Determine if the gift is to an employee or non-employee and complete the appropriate form Request for Payment of Non-Cash Award to University Employee and Sympathy Gifts or Request for Payment of Gifts Presented to Non-Employees on Behalf of the University.

The Authorization for Exceptions to the Policy section must also be completed and approved.

- State the nature of the exception (amount exceeded, no itemized receipt, etc)
- Provide a reason/justification as to why it was necessary to deviate from the policy.

Obtain appropriate level of approval.

- Exceptions may only be approved by the Vice Presidents, the Director of Athletics and the Auxiliaries Chief Executive Officers. This authority may not be re-delegated.

**Q: Who can approve exceptions to the gift policies?**

**A:** The President must authorize any exception to the policies for employee and non-employee gifts/awards. The President has delegated the authority to approve exceptions to this policy to the Vice Presidents, the Director of Athletics and the Auxiliaries Chief Executive Officer/General Manager. This authority may not be delegated any further.

This delegation does not extend to the following:

- Payment or reimbursement of expenses that are not allowed by University policy
- Expenses that are lavish or extravagant under the circumstances
- Expenses that are not in compliance with IRS regulations
- Expenses that constitute taxable income to the recipient.