

**LOKER UNIVERSITY STUDENT UNION, INC.  
GIFTS, AWARDS AND PRIZES POLICY**

Gifts, awards and prizes shall be allowable consistent with the mission and fiduciary responsibilities of the Donald P. and Katherine B. Loker University Student Union hereinafter referred to as LSU. Conveyance of gifts, awards and prizes must be directly correlated to an LSU event or business purpose and shall conform to IRS regulations. Conveyance of awards and prizes shall be made in alignment with the LSU Hospitality Policy and the Integrated California State University Administrative Manual (ICSUAM) policy number 1301.00, Hospitality, Payment or Reimbursement of Expenses.

Gifts, awards and prizes are defined as follows:

**Gift** – An item of value including in-kind gifts given voluntarily as a gesture of goodwill, support or appreciation.

**Award** – An item of value given as a result of a competition/nomination to promote the LSU or in recognition of merit or service to the LSU and/or the University by recipient.

**Prize** – An item of value given as a result of an opportunity chance drawing, generally for promotional purposes, to one or more participants of a LSU or University sponsored event.

Gifts, awards and prizes may be non-cash tangible property, cash or cash equivalents (i.e. gift certificates/gift cards). The LSU shall record, distribute and track all gifts, awards and prizes.

Any single gift, award or prize in excess of \$5,000.00 shall be supported by justification documentation.

Expenses for gifts, awards and prizes must be approved by the Director or their designee prior to the expense being incurred.

**Gifts, Awards and Prizes for Non-employees**

Gifts, awards and prizes may be given to non-employees, the University and its departments, other Universities and professional associations for which the LSU is a member (i.e. ACUI, AOA, etc.). Gifts, awards and prizes given to CSUDH students, faculty or staff in the form of a gift card/gift certificate shall be reported to the appropriate University Department (i.e. Financial Aid office, Accounting Services, etc.) and shall not exceed \$100.00.

Gifts and awards given to one individual with a cumulative value of \$600.00 or more in a calendar year shall be reported to the IRS.

Non-cash gifts and awards that have little intrinsic value (\$50 or less) such as flowers, apparel, medals, trophies, and plaques shall not be reported.

### **Gifts, Awards and Prizes for Employees**

Gifts, awards and prizes to employees must be part of a formally established LSU activity, program or recognition event. Any property or service infrequently provided to an employee that has so little value that accounting for it would be unreasonable or administratively impractical (\$50.00 or less) shall be considered a de minimis fringe benefit and is not taxable. Non-cash tangible property and/or cash and cash equivalents given to employees with a value of more than \$50.00 shall be reported as taxable income.

Per IRS guidance, cash, gift cards, gift certificates, or any other cash equivalent provided to employees are not excludible from taxable income as a de minimis fringe benefit and shall be reported, regardless of the amount.

Taxable gifts and awards must be reported as employee compensation on the employee's Form W-2 and may be subject to federal withholding and FICA taxes.

LSU professional staff are not eligible to participate in LSU sponsored opportunity chance drawings.

### **Gifts, Awards and Prizes for Nonresident Aliens**

Gifts, prizes and awards to nonresident aliens shall be reported to the IRS on Form 1042-S.