

Processing Gifts, Prizes and Awards to Employees

Taxable gifts, prizes and awards must be processed via the **payroll system**. Prior to giving the gift, prize or award, the department must submit a memo to Payroll Services that includes:

- 1) The employee's name;
- 2) the employee's Gwid number;
- 3) the amount or value of the gift, prize or award;
- 4) a description of the gift, prize or award; and
- 5) appropriate approval signatures from the head of the department giving the gift, prize or award. This memo is then forwarded to Payroll Services for processing in the employee's payroll check.

Non-taxable gifts, prizes and awards may be paid or reimbursed by **Accounts Payable** via the [Accounts Payable Payment Request Form](#). The form should indicate:

- 1) That the payment is a gift, prize or award;
- 2) the employee's name and Gwid number;
- 3) the purpose of the gift, prize or award; and
- 4) a clear description as to why the payment is not taxable (e.g. non-cash valued at \$100 or less, length of service or safety award).

These payments should be made using account 52615, Employee Special Activity. Please note that account 57121, Prizes and Awards, should not be used for payments to employees. This account is for expenses associated with academic or athletic prizes and awards to university students only.