



**CalPolyPomona**

Philanthropic  
Foundation

## POLICIES AND PROCEDURES

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**Subject: Accounts Payable Prizes, Awards  
& Gift Procedures**

**Policy No. 306**

**Date: 07/2019**

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### **POLICY:**

#### **Prizes, Awards and Gifts Procedure**

Purchases made using petty cash, purchasing cards, personal funds or Bronco Card for prizes, gifts and awards are considered a Public Relations Expense and the following applies:

#### **Petty Cash:**

A completed Petty Cash form, Petty Cash-Public Relations Expense form or a Prize and Award form (if valued at more than \$50), with supporting documents (receipts) must be submitted with the appropriate departmental approval for the project(s) to be charged.

#### **Purchasing Card:**

A completed Statement Expenses and a Prize and Award form (if valued at more than \$50) with supporting documents (receipts) must be submitted with the appropriate departmental approval for the project(s) to be charged.

#### **Personal Funds:**

A completed Disbursement Voucher and Prize and Award form (if valued at more than \$50) must be submitted with the supporting documents (receipts), and appropriate departmental approval for the project(s) to be charged.

#### **Bronco Card:**

A completed Disbursement Voucher and Prize and Award form (if valued at more than \$50) must be submitted to General Financial Department, and appropriate departmental approval for the project(s) to be charged.

Please note that this procedure does not apply for grant and contract accounts as these expenses are disallowed costs.

Foundation requires a completed Prize and Award forms for all prizes, awards and gifts valued at more than \$50. The recipient of a prize, award or gift valued at \$50 or less are not required to complete the Prize and Award Form, no additional information from the recipient or person requesting or reporting is required. The Prize and Award form must be completed with the recipient's name, address, employment status, telephone #, and signature, if over \$50 in value.

Prizes, awards and gifts are reported as taxable income as follows:

If an employee, this will be reported on the employees W-2 Form if the amount is over \$50.

If not an employee, a 1099 will be issued to recipient after the end of the calendar year if valued at more than \$600 per year.

Prizes, awards and gifts \$50 or less: The following are some examples of prizes, awards, and gifts:

Employee Morale/Incentive Gifts

Employee Birthday Gifts (usually small like movie tickets) Training Participation Incentive Award

Door Prizes/Raffles (Campus Community)

Foundation does not require the submission of the Prize and Award form for prize, awards and gifts \$50 or less in value; however, for reimbursement or replenishment purposes, the following information is required for purchases made with petty cash, purchasing cards, personal funds or payments to a vendor:

the recipient's name

what was given

the purpose

the date given

the value (amount) of each prize, award or gift

Recordkeeping of items purchased if greater than \$50

If the following items are purchased for use at a later time (i.e., movie tickets, gift cards/certificates, etc.), the individual value is greater than \$50, and the recipient(s) is not known at the time of purchase, the project holder is required to submit a detailed log showing the recipient name(s), what was given, the purpose, the date given and the value (amount), for audit purposes.

The following awards valued at \$50 or less are NOT reported by the Foundation to the recipient:

Client Appreciation/Holiday Gifts

Entertainment (Tickets, meals, transportation, etc., purchased for students from program fees).