

Summary of Policy and Approval Requirements for Employee Morale Events, Non-Cash Awards and Meals/Light Refreshments

As of October 2018

| Transaction | Definition/Description | Required Approvals and Other Requirements | Policy Reference |
|--|--|---|---|
| <p>Employee Morale-Building Activities</p> | <p>An event sponsored by UC which serves a University business purpose that honors or recognizes one or more employees.</p> <p>As of May 31, 2017, per COO Rachael Nava, each UCOP department may sponsor one UCOP funded morale building event for their employees per fiscal year.</p> <ul style="list-style-type: none"> • UCOP funds are limited to either \$19 per person or \$500 total, whichever is less. • Events should be held on UCOP property. • The UCOP funds must only be used for food and beverages (not for space rental fees or decorations/gifts, etc.) <p>Events which may not be paid for using UCOP funds effective May 31, 2017 include:</p> <ul style="list-style-type: none"> • Retirement events (including gifts) • Events of a personal nature (birthdays) • Farewell events • Holiday events | <p>All employee morale-building activities require <i>additional approval</i>. Generally this means additional awareness and review at a higher level. The additional approval is required from the person who is the next level up from the expense approver.</p> <p>Effective July 17, 2017, any UCOP expense that requires an additional or exceptional approval must receive preapproval prior to the commitment of UC funds. All preapproval requests should be submitted through the exceptional/additional approval process which includes review by Executive Director UCOP Operations Thera Kalmijn.</p> <p>Any expenses that require an additional/exceptional approval that do not have a preapproval must receive an after the fact preapproval from COO Rachael Nava, and may be denied.</p> <p>Host signature is required; host and additional approver should not be the same person.</p> <p><i>Fund source restrictions:</i> State funds may NOT be used to pay for expenses that require additional or exceptional approval.</p> | <p>BUS-79, <i>Expenditures for Business Meetings, Entertainment and Other Occasions</i></p> <p>5-31-17 and 7-17-17 memos from Rachael Nava (make these hyperlinks)</p> <p>Maximum cost per morale building event not to exceed \$19 per person or \$500 total, <u>whichever is less</u>.</p> <p>Note: Per person meal costs include delivery and service fees, gratuity, labor and taxes.</p> |

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| <p>Employee Non-Cash Awards</p> | <p>UCOP allows:</p> <ul style="list-style-type: none"> • Spot awards to be awarded to employees with a limit set at a maximum of \$75 per person per fiscal year. • Length of Service Awards which are defined in the FAQ's as “a tangible desk medallion with UC seal, paperweight with UC seal, Lapel pin with UC seal”. • Prize or incentive gifts to complete surveys and questionnaires up to \$75. <p>UCOP does not currently allow:</p> <ul style="list-style-type: none"> • Retirement gifts <p>The \$75 limit includes ALL gifts given to the employee.</p> | <p>Standard approval authority provided by authorized departmental approver.</p> <p>If an exception is required, effective July 17, 2017, any UCOP expense that requires an additional or exceptional approval must receive preapproval prior to the commitment of UC funds. All preapproval requests should be submitted through the exceptional/additional approval process and reviewed by Executive Director UCOP Operations Thera Kalmijn.</p> <p>Any expenses that require an additional/exceptional approval that do not have a preapproval must receive an after the fact preapproval from COO Rachael Nava, and may be denied.</p> <p><i>Fund source restrictions:</i> State and federal funds may NOT be used to pay for a prize or incentive gift, but are allowable for SPOT awards given for employee recognition.</p> | <p>BFB G-41, <i>Employee Non-Cash Awards and Other Gifts</i></p> <ul style="list-style-type: none"> • <i>Allows state funds to be used for employee recognition and length of service</i> • <i>Does not allow Federal and state funds to be used for sympathy gifts, cash contributions or prizes/incentive gifts</i> <p>BFB G-42, <i>Non-Employee Non-Cash Awards and Other Gifts</i></p> <ul style="list-style-type: none"> • <i>Does not allow state or Federal funds to be used to purchase gifts, unless the gift is awarded to a student for an academic achievement</i> <p>5-31-17 and 7-17-17 memos from Rachael Nava</p> <ul style="list-style-type: none"> • <i>Restricts purchase of retirement gifts using UC funds (not allowed)</i> • <i>Restricts the maximum allowable for Spot awards to \$75 per employee per fiscal year</i> |

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| <p>Meals and Light Refreshments</p> <p>(see next section if meeting attendees are <u>all UCOP employees from the same work location</u>)</p> | <p>Meals and light refreshments for entertainment and business meeting events are allowed for the purpose of conducting substantial and bona fide University business*.</p> <p>In general, the University will not pay for or reimburse costs for meals taken with individual colleagues at the same work location unless the participants were unable to accomplish the business purpose during working hours. It may, however, be appropriate to provide meals at the convenience of the employer (e.g. working lunch, all day meetings).</p> <p>University policy requires that meals or light refreshments provided in the course of a business meeting <i>must</i> be a necessary and integral part of the business meeting, not a matter of personal convenience, whether the meeting is for internal purposes or includes external organizations.</p> <p>Attendance of spouses/partners is only allowed if their attendance directly supports and advances the University mission or is an integral part of the success of the meeting. The host must provide a bona-fide business purpose for their attendance. Some examples of events where the attendance of the spouse/partner may be appropriate include family members of an honoree, ceremonial functions, fundraising events, or alumni gatherings.</p> <p>*Business justification for meals must be clearly stated when request for payment/reimbursement is made, including the explanation for why the meal was necessary.</p> | <p>Standard approval authority provided by authorized departmental approver (approver cannot authorize his/her own expenses.)</p> <p><i>Exceptional approval</i> is required if the cost of the meal goes over the per person limit.</p> <p>Effective July 17, 2017, any UCOP expense that requires an additional or exceptional approval must receive preapproval prior to the commitment of UC funds. All preapproval requests should be submitted through the <u>exceptional/additional approval process</u> which includes review by Executive Director UCOP Operations Thera Kalmijn.</p> <p>Any expenses that require an additional/exceptional approval that do not have a preapproval must receive an after the fact preapproval from COO Rachael Nava, and may be denied.</p> <p>If the per person rate exceeds 200%, only the President or COO may provide exceptional approval.</p> <p><i>Fund source restrictions:</i> Expenses which require additional or exceptional approval, or are for alcoholic beverages may NOT be charged to state funds.</p> | <p>BUS-79, <i>Expenditures for Business Meetings, Entertainment and Other Occasions</i></p> <p>Per person meal limits under BUS-79 apply to meals and light refreshments.</p> <ul style="list-style-type: none"> • Breakfast – \$27 • Lunch – \$47 • Dinner – \$81 • Light Refreshments – \$19 <p>Note: Per person meal costs include delivery and service fees, gratuity, labor and taxes.</p> <p><u>7-17-17 memo from Rachael Nava</u></p> |

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| <p>Meals and Light Refreshments</p> <p>Meetings hosted by UCOP where all <u>attendees are UCOP employees from the same location.</u></p> | <p>Meals and light refreshments for entertainment and business meeting events are allowed for the purpose of conducting substantial and bona fide University business. <i>(see prior section for complete details)</i></p> <p>However, when all attendees of the meeting are UCOP employees from the same work location, there are additional restrictions governing whether or not meals may be served at the meeting.</p> | <p>All approvals are the same as the prior section regarding Meals and Light Refreshments.</p> <p>Additional restrictions:</p> <ul style="list-style-type: none"> ▪ Meeting must be at least 3 hours long ▪ Meals must fall within the normal meal periods <p>Normal meal periods:</p> <ul style="list-style-type: none"> ▪ Breakfast: 7:00am to 9:00am ▪ Lunch: 11:30am to 1:30pm ▪ Dinner: 5:00pm to 7:00pm | <p>BUS-79, <i>Expenditures for Business Meetings, Entertainment and Other Occasions</i></p> <p>Per person meal limits under BUS-79 apply to meals and light refreshments, and collectively cannot exceed \$74 per person per day.</p> <ul style="list-style-type: none"> • Breakfast – \$27 • Lunch – \$47 • Dinner – \$74 • Light Refreshments – \$19 <p>Note: Per person meal costs include delivery and service fees, gratuity, labor and taxes.</p> <p><u>4-19-18 memo from Rachael Nava</u></p> |