

Policy on Non-Student Employee Awards School of Social Work

Background

Employee recognition awards are defined as employment related, and therefore, if given as payroll, are taxable as wages (Business and Financial Policies and Procedures [Section 4.3.3. Process Employee Recognition Awards](#)). Alternatively, the award may be placed in a unit fund for use by the awardee, with the approval of the Dean (Business and Financial Policies and Procedures Section 18.15: [Payments to Employees: Assignment of Income and Constructive Receipt](#)). When given a choice between award options, the award must be taxed. To avoid this issue, we are establishing a policy that will remove the tax implications for such an award.

Policy

Employee recognition awards presented by the School of Social Work will be provided to the awardee in a university discretionary fund. These funds may be used within the guidelines of campus (Business and Financial Policies and Procedures [Section 8: Determine the Allowability of Specific Expenditures](#)) and with the approval of the Dean. These awards will not be taxable income.

Questions?

Contact sw-expenses@illinois.edu