



Policy Title: Employee Recognition Policy	Effective Date: 7/1/2017
Policy Number: HR-PO-1403	Date of Last Review: New
Oversight Department: Department of Human Resources	Next Review Date: 7/1/2020

1. PURPOSE

The *Employee Recognition Policy* for Radford University sets forth the requirements for establishing new recognition programs and for recognizing University employees under existing recognition programs.

2. APPLICABILITY

This policy applies to all University employees and divisions, departments, or offices seeking to establish recognition programs or recognize employees under existing recognition programs funded by Educational and General (E&G), state auxiliary, and local auxiliary funds. Sponsored Program funds may not be used for employee recognition.

3. DEFINITIONS

Fiscal Year: The 12 month period beginning with July 1 and ending June 30 of the following year.

Leave Year: The 12 month period used for tracking and recording of the various types of employee leave. A leave year begins on January 10 of each calendar year and ends on January 9 of the following calendar year.

Monetary Award: Amount paid by any negotiable instrument (e.g. cash, check, money order, or direct deposit) for the purpose of recognition. Additionally, monetary award includes any item given as recognition that is deemed cash-like or that can be readily converted to cash (e.g. savings bonds, gift certificates, gift cards, non-refundable RU Express credit, etc.).

Nonmonetary Award: Any item of personal property given for the purpose of recognition. Examples include, but are not limited to, plaques, trophies, certificates, pencils, pens and desk items, cups and mugs, pins, clocks, and personal items of clothing such as caps and shirts, etc.

Recognition Leave: Additional hour(s) of leave provided as recognition that may be used for personal purposes.

University Employee (Employee): Any person employed by the University as a teaching faculty, administrative or professional faculty, classified employee, part-time or wage employee, student employee, work/study employee, or any other person paid through the University's payroll process.

4. POLICY

A. General

1. Classified and wage employees are covered by policies set forth by the Virginia Department of Human Resource Management (DHRM). DHRM Policy 1.20, Employee Recognition, provides the authority for the University to establish recognition programs for the University's classified and wage employees.
2. Per the Board of Visitors Bylaws, the Board of Visitors is responsible for adopting rules and regulations for governing employment and employees. The Board primarily fulfills this responsibility through approval of the Teaching and Research (T&R) and Administrative & Professional (AP) Faculty Handbooks. The operational authority delegated to the President by the Board of Visitors in its Bylaws includes the authority to implement other employment-related policies beyond the scope of the Handbooks.
3. The University supports and encourages programs to acknowledge and recognize the significant contributions and exemplary performance of employees in support of the University's mission. Such recognition is an important motivational tool, critical to maintaining employee morale and retention through increased job satisfaction and employees feeling the University values their work.
4. The Provost, vice presidents, deans, directors, and department heads will ensure the availability of funds, which must come from divisional discretionary resources, to support reasonable costs incurred for employee recognition programs and awards for their units of operation. Most employee recognition programs and awards will be department-based and therefore department-funded. Departments are encouraged to plan for employee recognition programs and awards in their annual budgets.

B. Types of Awards/Eligibility

1. **Monetary Award:** Only classified (full-time or part-time) and wage employees are eligible to receive monetary awards for immediate recognition. All other employees are eligible to receive monetary awards as part of an approved, planned recognition program. Monetary awards will not be added to an employee's base pay.
2. **Nonmonetary Award:** All employees of the University are eligible to receive nonmonetary awards as part of an approved, planned recognition program. The total nonmonetary award(s) given to any employee must be less than \$100 per fiscal year. Nonmonetary awards may not be awarded for immediate recognition.
3. **Recognition Leave:** Only classified employees (full-time or part-time) are eligible to receive recognition leave. Such recognition leave may only be awarded for immediate recognition. The employee must use recognition leave within 12 months from the date awarded. Unexpired recognition leave will be paid when an employee leaves the University.

C. Recognition Programs/Limits

1. **Immediate Recognition:** Immediate or "on-the-spot" recognition awards may be made at any time to eligible employees (see section B). Examples include, but are not limited to, awards to acknowledge significant contributions, exemplary performance and/or teamwork, new or modified work practices that increase efficiency or effectiveness, and

completion of significant special projects that are above and beyond defined job responsibilities. The applicable limits for such awards are as follows:

- a. Deans, directors, department heads, or supervisors may grant:
 - i. Up to 16 hours of recognition leave per eligible employee in a leave year
 - ii. Up to \$250 in monetary awards per employee in a fiscal year
 - b. The President, Provost, or Vice Presidents may grant or approve:
 - i. Up to 40 hours of recognition leave per eligible employee in a leave year
 - ii. Up to \$2,000 in monetary awards per employee in a fiscal year
- 2. Planned Recognition:** The Department of Human Resources (Human Resources), President, Provost, vice presidents, deans, directors, or department heads may develop planned recognition programs to acknowledge employee accomplishments or to promote desirable work habits and behaviors. Planned recognition programs are announced to employees in advance and promise specific awards based on specified criteria. Examples include, but are not limited to, awards for employee of the month, attendance, safety, customer service, productivity, and accuracy of work. Such programs must be approved in advance and the following limits apply:
- a. Award programs approved by Human Resources may not exceed \$100 total in nonmonetary awards per employee in a fiscal year.
 - b. Award programs approved by the President's Cabinet may not exceed \$2,000 total in monetary and nonmonetary awards per employee in a fiscal year.
- 3. Overall Limits:** The following overall limits apply:
- a. No employee may receive more than \$2,000 total in monetary and nonmonetary awards per fiscal year. The value of recognition leave will not be included in the computation of the \$2,000 limit.
 - b. No eligible employee may receive more than 40 hours of recognition leave in a leave year.

D. Taxation of Awards

1. All monetary awards paid to employees are subject to federal and state tax withholding in accordance with applicable tax regulations.
 - a. For awards paid through payroll (i.e. by paycheck), deductions for requisite taxes will be processed when paid. Additionally, such awards may also be subject to withholding for any applicable garnishments of wages.
 - b. For cash-like awards not paid through payroll (e.g. gift cards), the value of the award will be added to the employee's gross taxable wages and deductions for requisite taxes will be processed in the employee's next available paycheck.
2. The Tax Compliance Officer is responsible for determining whether nonmonetary awards are taxable in accordance with IRS tax regulations. Generally,
 - a. Nonmonetary awards with a nominal value of less than \$100 are not taxable or reportable for tax purposes (unless the total nonmonetary awards received by an employee in a calendar year totals \$100 or more).

- iii. The Tax Compliance Officer will monitor and coordinate with the Payroll Office to tax the employee for the appropriate amount of the credit awarded in the next available paycheck.
- d. Cash-like Awards (except nonrefundable credit to the employee's RU Express Card) and Nonmonetary Awards –
 - i. The requestor must enter a purchase requisition in eVA and follow applicable procurement policies and procedures to purchase the item from an appropriate source. The account code used must be "714131 – Employee Recognition Awards".
 - ii. Gift cards/gift certificates purchased must contain a unique number for tracking purposes. This number must be recorded on the department's copy of the Employee Recognition Award Request form and retained for audit purposes.
 - iii. The Tax Compliance Officer will monitor awards entered in eVA and coordinate with the Payroll Office to tax the employee for the appropriate amount of the award in the next available paycheck.

B. Establishing a New Planned Recognition Program

1. Generally, new recognition programs must be designed and administered consistently across the applicable unit of operation (e.g. department, college, division, etc.).
2. Submit a written plan for the proposed planned recognition program to Human Resources. The written plan must address the following:
 - a. Program objectives
 - b. Criteria for participation
 - c. Description of the method for providing employees with information about the program
 - d. Description of the process for selecting employees for recognition, including identification of the person(s) responsible for selecting recognition award recipients
 - e. Objective criteria upon which award decisions will be made
 - f. Description of the awards and manner of presentation
 - g. Anticipated expenses to be incurred
 - h. Source of funding for the awards
3. Human Resources will review the proposed planned recognition program for compliance with this policy and best practices. Human Resources will provide information, feedback, and guidance, as needed, to ensure proposed programs comply with this policy and are designed to achieve effective results.
4. For proposed programs with monetary and/or nonmonetary awards not exceeding \$100 total, Human Resources will notify the requestor as to whether the program has been approved.

5. For proposed programs with monetary and/or nonmonetary awards exceeding \$100 total, Human Resources will forward the program to the President's Cabinet for approval. Human Resources will notify the requestor as to whether the program was approved by Cabinet.

6. EXCLUSIONS

This policy does not apply to the annual Employee Service Awards Program, the Presidential Employee Service Award Program, or other employee awards and programs funded by the Radford University Foundation.

This policy also does not apply to other types of one-time payments (e.g. in-band bonuses) covered under DHRM Policy 3.05, Compensation.

Additionally, this policy does not apply to promotion in rank for tenured, tenure-track, and special purpose faculty, including tenured faculty serving in administrative or professional faculty positions, which is governed by the [Radford University Teaching and Research Faculty Handbook](#).

7. APPENDICES

Appendix: [Employee Recognition Award Request](#)

8. REFERENCES

[DHRM Policy 1.20, Employee Recognition Programs](#)

[Board of Visitors Bylaws](#)

INTERPRETATION

The authority to interpret this policy rests with the President of the University and is generally delegated to the Chief Financial Officer and Vice President for Finance & Administration.

9. APPROVAL AND REVISIONS

The President of the University and the President's Cabinet have approval authority over this policy and all subsequent revisions.

The *Employee Recognition Program Guidelines*, developed by the Department of Human Resources and last revised in May 2006, were reviewed and compared to DHRM Policy 1.20, *Employee Recognition Programs*. Additionally, employee recognition policies and programs at other Virginia public universities were also reviewed. As a result of this review, the *Employee Recognition Policy* for Radford University was developed. This new policy was reviewed and approved by the President's Cabinet on June 28, 2017. President Hemphill signed the new policy on July 5, 2017.

For general information concerning University policies, contact the [Office of Policy Compliance](#) – (540) 831-5794. For questions or guidance on a specific policy, contact the Oversight Department referenced in the policy.