**Distribution of Extension Resources to Non-Employees**

**Guidelines and Standard Operating Procedure**

Purpose: To standardize and provide guidelines on how USU Extension funds, including contracts and grants administered by Extension, are dispersed to non-employees (e.g., participants, volunteers, attendees, youth, etc.). These guidelines were developed to align with related policies for employees. See [Policy 505: Employee Gifts and Awards](https://www.usu.edu/policies/505/), Policy 530: Cash Handling, and [Policy 307: Conflicts of Interest](https://www.usu.edu/policies/307/). Refer also to [www.usu.edu/controllers/](http://www.usu.edu/controllers/) and [www.usu.edu/policies/](http://www.usu.edu/policies/)

1. Scholarships
   1. Refer to:
      1. <https://www.usu.edu/scholarships/>
      2. <https://caas.usu.edu/students/scholarships>
      3. <https://extension.usu.edu/utah4h/more/4-h-scholarships>
2. Recognitions
   1. Given when specific criteria are met. Not competitive. Available to everyone who is eligible.
   2. There should be documented standards/criteria that are transparent, promoted, and enforced but are not tied to work hours, a work product, etc.
   3. Allowable ways to recognize:
      1. In-person or electronic presentation
         1. In the case of 4-H programs, refer to the State 4-H Office for allowable recognition events.
      2. Tangible items such as pins, certificates, ribbons, plaques, etc.
         1. Value of recognitions cannot exceed $100.
      3. Banquet
         1. The meal of the individual being recognized and one guest may be paid with USU funds.
         2. Refer to [Policy 516 - Meals & Entertainment](https://www.usu.edu/policies/516/)
   4. See section 10 below for recognitions funded by donations.
3. Contests
   1. Given to the winner(s) of competitive applications, contests, etc.
   2. There should be documented standards/criteria that are transparent, promoted, and enforced.
      1. In the case of 4-H programs, refer to the State 4-H Office for an approved list of 4-H awards, eligibility criteria, and selection processes.
   3. Value of award cannot exceed $100.
   4. No cash awards, gift certificates, or gift cards.
   5. See section 10 below for awards funded by donations.
4. Travel Expenditures
   1. Bona fide travel expenses will be based on eligibility and funding.
   2. Eligibility for travel should be based on documented standards/criteria that are transparent, promoted, and enforced.
      1. Travel policy must be followed. Refer to [Policy 515 – Travel](https://www.usu.edu/policies/515/)
      2. If grant funded, the approved budget must include non-employee travel.
5. Honoraria
   1. An honorarium is a payment to a non-employee in recognition of a special service where no expectation exists for payment (even if the amount is minimal).
   2. Honorarium payments are for a specific one-timeservice. They may not be used to pay for any services where a price is negotiated.
   3. Must be processed through Business Services.
6. Thank You Gifts
   1. If they are expected, then they are not allowable.
      1. Where there is an expectation, speakers and other invited presenters should be paid via an invoice.
   2. If they are not expected, then they are allowable.
      1. Purchased gifts cannot exceed $100 in value and may not be in the form of cash, check, gift certificate, or gift card.
   3. Consider giving a written thank you note or USU swag.
   4. See section 10 below for donations.
7. Door Prizes
   1. Purchased door prizes cannot exceed $100 in value and may not be in the form of cash, check, gift certificate, or gift card.
   2. “Pay to Play” door prizes (e.g., raffles with paid tickets) are not allowable.
   3. See section 10 below for donations.
8. Participation in Extension Programs and Research
   1. When approved as part of an external grant, participant incentives may be allowable.
      1. Refer to [Policy 584 – Protection of Human Participants in Research](https://www.usu.edu/policies/584/)
   2. Extension grants/funds may support IRB approved research incentives.
   3. Extension grants/funds do not support programmatic recruitment, attendance, or completion incentives, with the exception of USU swag with nominal value.
9. Participant Supplies
   1. When approved as part of a grant/program, participants may receive supplies (e.g., kit, sensor, monitor, etc.).
   2. Supplies are not incentives, gifts, or awards; rather they are materials or equipment necessary for the participant to fulfill grant/program requirements.
   3. Funder policy and procedures dictate the disposition of participant supplies that remain in usable condition.
      1. In the absence of written funder guidance, supplies over $100 in remaining value must be returned to USU at the completion of the grant/program.
10. Donations
    1. Donors
       1. Cash and in-kind donations of any value will be accepted.
       2. USU Extension will not be a funnel or “pass through” by which a donor transfers resources to a specific individual. The recipient of any donor funded gift/award must be selected through a fair, open, and impartial process.
       3. To facilitate an in-kind donation, the receiving unit must fill out a [Gift-In-Kind Transmittal](https://www.usu.edu/advancement/staffresources/files/gac/Gift-in-Kind_Transmittal_Form.pdf) form and deliver to the Extension’s Development Officer along with copies of all donation documentation (e.g., letters, email, tickets, etc.) for the donation.
       4. The Extension’s Development Officer will work with University Advancement to ensure the donor receives a charitable tax receipt and stewardship.
    2. Recipients
       1. Recipients of donated gifts/awards are subject to applicable tax laws:
          1. Any and all cumulative gifts/awards over $600/year must be reported to the IRS by USU, regardless of whether it’s a USU employee or not.
          2. Any tangible gift/award under $100 is considered de minimis in nature and is not individually reportable to the IRS. However, it does count toward the cumulative $600 annual threshold that would be reported to the IRS by USU.
          3. Cash and cash equivalents are subject to tax, regardless of amount.
             1. The responsible faculty/staff must provide a W-9 (which includes social security numbers) to the recipient.
             2. W-9’s must be sent to Accounts Payable with details of the gift (date and value).
       2. For the reasons above, we recommend the distribution of donated gifts/awards not exceed $100 in value per recipient.
       3. The distribution of gifts/awards valued above $100 require:
          1. The approval of the Vice President of Extension.
          2. The responsible faculty/staff must provide a W-9 (which includes social security numbers) to the recipient.
          3. W-9’s must be sent to Accounts Payable with details of the gift (date and value).
    3. USU as a donor
       1. Utah State University is a public tax-exempt institution of higher education and therefore, as a general rule, does not make charitable contributions.
       2. In rare circumstances, donations can be made, with approval from the appropriate Dean or Vice President, where the expenditure serves a legitimate purpose that advances the mission of the University.
       3. See [Policy 527: Charitable Donations](https://www.usu.edu/policies/527/)

Those consulted for v11.15.21: David Francis (Youth Development), Craig Dart (Faculty), Denise Stewardson (Faculty), Andree Walker (County Operations), Justen Smith (Agriculture and Natural Resource), Margie Memmott (Home and Communities) Michael Whitesides (Marketing), Michelle Merrill (Advancement), Bryan Arnell (Business Services), Ken White and Brian Higginbotham (Extension Administration); Nicole Laroque and Janna Hawkins (Internal Audits).

Those consulted for v12.6.16: Kevin Kesler and representatives from the state 4-H office and select county faculty (4-H); Bryan Arnell, Branden Blanchard and Carol Ann Downs (Business Services); Ken White and Brian Higginbotham (Extension Administration); Janna Hawkins (Internal Audits).