

**From:** Murphy, Jennifer  
**Sent:** Thursday, January 11, 2007 8:30 AM  
**To:** GRP-APS Customer Advisory Group; GRP-Procard Holders  
**Subject:** January - Guidance

Good Morning,

The month of January often brings retirements, so we wanted to make sure departments are aware of the policies on gifts and retirement functions that are in the [entertainment policy](#). Excerpts are below.

Further guidance based on past history:

- Do not use a procard to purchase a gift. Also, do not use your procard for expenses for a retirement function. These are considered entertainment expenses and procards can not be used for entertainment.
- Before purchasing a retirement gift for a retiree your department should obtain an opinion from [Cecilia Gonzalez](#), OGC, on whether the gift will be taxable to the retiree. If it will be taxable U.T. funds should not be used to purchase of the gift. This is a complicated IRS area and is not as simple as saying "just stay under a certain dollar amount", so plan ahead.
- Retirement Functions are limited to \$20 per each year of retiree's service to the U.T. System (System Administration and the institutions).

Excerpts from the policy.....

#### **6.1.7 Retirement Recognition Gifts/Receptions**

##### **6.1.7.1 Gifts**

Due to the complexity of Internal Revenue Service Guidelines, all gifts or honoraria of tangible property must be handled on a case-by-case basis and shall be pre-approved by the Office of General Counsel.

##### **6.1.7.2 Retirement Functions**

Payment or reimbursement of expenses incurred for retirement functions may be reimbursed according to the allowable rate in **Appendix A**.

##### **Retirement Functions**

Expenses for retirement functions may be reimbursed at a rate of no more than \$20 per each year of retiree's service

Please call if you have questions.

Thank you,  
Jenny

*Jennifer C. Murphy*  
Director of Accounting and Purchasing Services  
(512) 499-4366 phone