
UW-River Falls Administrative Policy	Clothing Purchases for Staff Use in Departments
Policy ID: AP-02-109	
Effective: December 15, 2014	Maintained by: Controller
Revision:	Approved by: Chancellor
Review: 3 years	Next Review Date: December 2017

Policy

The purpose of this policy is to define clothing or uniform options for university employees and identify tax implications for supplying clothing for employees on taxable income.

There are two types of potential University supplied clothing options. The first is a uniform which is typically delivered by a contractor and is supplied to employees working in an environment which either special clothing is needed or clothing can be damaged. These uniforms are not to be worn outside of work both by policy and by the nature of the clothing. These can also be distinguishable by having the employee's name affixed to the garment. For the purposes of this policy, this option will be entitled "uniforms." Clothing that is owned and maintained by the university is similarly treated as a uniform, as it does not remain in the employee's possession.

Uniforms, which are not taxable, must be worn for business use only and have limitations in place to prevent or discourage wearing of the uniform outside of the work environment.

The second type of clothing is any clothing, though typically a shirt or outer garment, with an approved logo and department name on it. This type of clothing is typically given to personnel when it is deemed to be in the best interest of the department for this person to be identified with the department but not necessarily by name. These types of clothing typically are not worn outside of the workplace; however, there is no particular limitation to this action. For this purpose of this policy, this option will be entitled "provided clothing."

Provided clothing for employees must be approved by a director or chair of a department or above, and be provided for a business purpose. If the clothing purchase is approved and clothing is distributed to employees, the value of these items must be documented and added to the employees' taxable income. Clothing that costs less than \$15 will be considered de minimis and excluded from the employees' taxable income. NOTE: Per UW-System policy, no state funds from any source may be used to purchase gifts for employees. Clothing given to employees without a legitimate business purpose would be considered a gift, and would not be allowed.

Clothing provided for volunteers is not subject to this policy.

Procedure

The determination of providing clothing must be approved by a director or chair of a department or above. When submitting the purchase requisition to Purchasing, the ordering department must provide Purchasing listing of recipients which includes the recipient's name, HRS employee ID number (if the recipient is an employee) and corresponding value of the clothing being ordered. If the clothing is ordered without a purchase requisition (direct with Vendor under \$5,000, or using a p-card), this list shall be submitted along with the documentation ordinarily required with invoices for payment or p-card statements. If a purchase requisition or p-card is used, Purchasing will provide the employee list to Accounts Payable staff for entry into the system for inclusion in the employee's taxable income.

If the payment for the purchase is made directly using Foundation funds, the ordering department must provide the Foundation a listing of recipients including the recipient's name, HRS employee ID number

(if the recipient is an employee) and corresponding value of the clothing being ordered for that employee shall be submitted to the Foundation. The Foundation should submit this list to Accounts Payable during their monthly reporting of tax reportable items. Accounts Payable staff will enter the information into the system for inclusion in the employee's taxable income.

Authority

The UW-River Falls Chancellor issues this policy in accordance with the Administrative Policy process. The Assistant Chancellor for Business and Finance is responsible for the administration of this policy. Request an exception to this policy by writing to administrative-policy@uwrf.edu.

Sanctions and Appeals Process

Failure to adhere to the provisions of this policy may result in appropriate disciplinary action as provided under existing procedures applicable to students, faculty, and staff, and/or civil or criminal prosecution.

University Responsibilities

Assistant Chancellor for Business and Finance
Controller

Background

IRS guidelines define most University purchased and clothing supplied to employees as taxable income. This does not hold true for contracted uniform services.

Contact

Please direct questions about this policy to administrative-policy@uwrf.edu.