

## Administrative Policy No. 19.70.13

**Subject:** Employee Recognition Awards

**Information Contact:** Office of Accounting Services  
Chief, (360) 664-5716

**Authorizing Sources:** Revised Code of Washington (RCW)  
[41.60.150](#) Recognition Awards  
[41.60.160](#) Persons Ineligible for Awards  
OFM's [Quick Reference Guide to State Purchasing Rules](#)

**Effective Date:** May 9, 2007

**Revised:** March 5, 2020 <sup>1 Housekeeping update 5/6/2021</sup> <sup>2 Housekeeping 9/9/2021</sup>

**Approved By:** **Original signed by Judy Fitzgerald**  
Assistant Secretary / Chief Financial Officer

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### Purpose

This policy establishes requirements for administering employee recognition awards.

### Scope

This policy applies to all DSHS employees.

This policy does NOT apply to incentive pay (e.g. separation, recruitment) or employee awards given under Administrative Policy 19.70.14, Employee Awards for Suggestion and Teamwork Incentive Programs (Productivity Awards).

### Additional Guidance

[2 CFR Part 200](#) - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

DSHS Administrative Policies

[19.70.10](#) Coffee and Light Refreshments

[19.70.11](#) Meals with Meetings

[DSHS Forms Picker](#)

Form 17-186, Meeting Expense Pre-Authorization

DSHS Management Correspondence – [Employee Recognition Spending Limits](#)

[Facilities, Finance and Analytics Administration](#) SharePoint Page

## Definitions

**Business unit** means all employees from one or more units, offices, sections, divisions, or regions within an administration that are eligible to attend an event in which a recognition award is given.

**Cash** means a payment issued.

**Cash equivalent** means an award the recipient can use like cash, for example, a gift certificate or a gift card.

**Employee** means an individual in DSHS who:

1. Is paid a salary, or wages, and receives benefits for work performed for the department;
2. Has been issued a state employee identification number;
3. Is recognized as a state employee by the state Department of Enterprise Services (DES); and
4. Is paid through the human resource management system (HRMS).

(19.25.07, 19.25.08, 19.25.05)

**Employee recognition** means a process used by DSHS to recognize employees, either individually or as a team, for accomplishments that include, but are not limited to:

- Outstanding achievements;
- Safety performance;
- Longevity;
- Outstanding public service; and
- Service as employee suggestion evaluators and implementers

**Program** means an administration, division, or program within DSHS.

## Policy

- A. Program fiscal offices are responsible for monitoring and ensuring compliance with this policy.
- B. Volunteers, board members, and commission members are not eligible to receive awards.
- C. Under RCW [41.60.160](#), elected state officials and state agency directors are not eligible to receive awards.
- D. Under DSHS human resources rules, exempt employees are not eligible to receive awards. For additional information on this requirement, please visit the Employee Recognition page

of the human resources division website.

- E. Recognition awards are limited to pins, pens, plaques, and framed or unframed certificates.
- F. Cash and cash equivalents are not allowed.
- G. The DSHS secretary or designee sets the maximum cost for employee recognition events and restrictions annually in a management memo. The office of accounting services will post the Management Memo to the Facilities, Finance, and Analytics Administration SharePoint page.
- H. The maximum amount any program or division may spend on all employee recognition per fiscal year is the business unit's employee count multiplied by the maximum award amount set by the DSHS secretary or designee. The maximum award calculation must include the prorated or average cost of the recognition event itself.
- I. All costs must be approved in advance and paid by the program out of their appropriation authority. These costs include, but are not limited to the charges for the:
  - Actual award
  - Coffee and light refreshments or meals (See J below)
  - Guest speakers
  - All other costs
- J. The program may pay for coffee and light refreshments or meals with meetings for award events. The program must adhere to administrative policy requirements regarding:
  - Coffee and Light Refreshments (Administrative Policy [19.70.10](#))
  - Meals with Meetings (Administrative Policy [19.70.11](#))

## Procedure

### A. Calculate employee recognition annual budget

To calculate the yearly award budget, the program must multiply their total number of employees by the maximum award amount, as set by the annual management memo. The maximum award amount is all inclusive of all costs pertaining to the event. Offices, divisions, administrations, and programs are not counted separately. Every employee recognition event and award in a year will count toward the maximum award limit.

For example: if the maximum award amount for that year was set at \$3.00 and a business unit's employee count was 100, the total yearly budget for all employee recognition

awards and events would be \$300.00.

**B. Record employee recognition expenditures**

The program must record all employee recognitions, recognition awards, and associated costs and follow the designated account coding below:

1. Use Program Index x8684. To maintain federal compliance, awards must be processed through DSHS Base 099. 2 CFR Part 200 § 200.437 Employee Health and Welfare Costs, states “Such costs will be equitably apportioned to all activities of the non-Federal entity.”
2. Use the sub-sub-object (EG G030).

<sup>1</sup> Updated hyperlink

<sup>2</sup> Updated additional resources

DSHS Official