

UTAH DEPARTMENT OF HEALTH AND HUMAN SERVICES POLICY AND PROCEDURES		
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EMPLOYEE YEARS OF SERVICE RETIREMENT AWARDS		
<p>RATIONALE: This policy is established to guide how the department awards employees for years of service and retirement.</p> <p><i>Related/Tags:</i> DHHS Policy 02-08 Administrative Salary Increase & Incentive Awards; 02-25 Employee Retirement Events; FIACCT 05-03.07</p>		
Original Effective: July 5, 2022	Revision:	Next Review Due: September 3, 2025

I. DESCRIPTION

This policy guides how DHHS may award employees' years of service and retirement with financial payments. This policy supersedes any previous policy governing these awards. It does not supplant any existing state or department policies to which the department must adhere. This policy supersedes any previous policy governing this subject matter.

II. DEFINITIONS

The following terms are defined for this policy as:

- A. **Award:** Financial payment by check or direct deposit for years of service or retirement. This excludes cash, petty cash funds, and non-cash equivalents.
- B. **DHHS or department:** The Utah Department of Health and Human Services and collectively any operational unit within.
- C. **DHRM:**
- D. **EDO:** DHHS Executive Director's Office

III. POLICY

- A. Awards are not the same as, nor in lieu of, incentive awards or bonuses.
- B. Service awards may not exceed the maximum amounts allowed per state finance policy.
- C. Service and retirement awards are considered taxable income to the employee and

must comply with IRS tax withholding requirements.

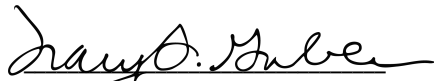
1. Awards are processed via the ~~DHRM p-ESS Payroll s~~System, which automatically withholds the federal income, Social Security, and state income taxes from the payroll check.
2. The award is included as taxable income on the employee's W-2 statement.

IV. PROCEDURE

- A. DHRM Payroll processes the award from the file received from DHHS for the designated amount for the employees identified.

V. EXCEPTIONS

- A. Any exceptions to this policy shall require pre-approval by the executive director, department deputy director, or department assistant deputy director.


Tracy S. Gruber
Utah Department of Health and Human Services Executive Director

July 5, 2022

Date