

From: [Silverman, Celestine](#)
To: SRBA-SCHOOLCENTER-L@LISTS.UPENN.EDU; SRBA-CENTRALADMIN-L@LISTS.UPENN.EDU
Subject: Intermediate Sanctions Training
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The following message is being sent on behalf of Corporate Tax, Compliance and Payroll

Please share this information with individuals within your school or center who may be subject to this training.

Training on Intermediate Sanctions is now available in Knowledge Link. This training is important for anyone who manages operations of the University or Health System or who has authority to approve compensation or other transactions on behalf of the University or Health System.

What are Intermediate Sanctions?

Section 4958 of the Internal Revenue Code imposes an excise tax on excess benefit transactions between a disqualified person and an applicable tax-exempt organization. The disqualified person who benefits from an excess benefit transaction is liable for the excise tax. Additionally, an organization manager may also be liable for an excise tax on the excess benefit transaction.

The training explains what is an excess benefit transaction, who is a disqualified person or organization manager, and the penalties these individuals may be subject to in the event an excess benefit transaction occurs.

Who should take this training?

Any person who may be a “disqualified person” or “organization manager” should take this training:

- *Disqualified person* – Any person who is in a position to exercise substantial influence over the affairs of an organization or a discrete segment or activity of the organization. This includes Officers, Deans, Vice Deans, Department Chairs, Physicians and Faculty, as well as others who manage a discrete segment of the University or Health System.
- *Organization manager* – Any individual with the authority or apparent authority to approve compensation or other transactions on behalf of the University or Health System, regardless of title. This includes Officers, Directors, Associate and Assistant Vice Presidents, Business Administrators and Managers, Procurement Specialists, Directors, Associate Directors, HR Analysts and HR Budget Partners.

If you have any questions, please contact the Penn Employee Solution Center at solutioncenter@upenn.edu or (215) 898-7372.