GIFT CARD POLICY

1. PURCHASING GIFT CARDS AND GIFT CERTIFICATES AS PRIZES AND AWARDS

The purchase and use of negotiable items, such as gift cards or gift certificates, require strict accountability and are to be used for prizes and awards only. Gift cards are not to be awarded to employees and cannot be used for the payment of services or other tax reportable transactions. Examples of appropriate gift purchases include an incentive for students to complete a survey or sell the largest number of tickets to an event.

The IRS considers gift cards and gift certificates to be cash equivalents, therefore control measures must be in place at the Dean’s Office level to ensure proper use and departmental accountability. Prior to purchasing gift cards, the Gift Card Approval Form must be completed and signed by the cardholder’s Divisional Business Office. The Gift Card Recipient Log is to be used to document the name and contact information of each recipient. Both forms must be attached to the cardholder statement. In signing off on the Gift Card Approval Form, the Dean’s Office will review and ensure the following:

1. The gift cards may not be awarded to employees or Non-Resident Aliens and cannot be used for the payment of services or other tax reportable transactions.

2. Participants are not frequent gift card recipients, minimizing the risk of non-compliance with IRS tax reporting regulations. Multiple gift cards should not be given to the same individual during a calendar year.

3. The individual making the gift card purchase is accountable for the safekeeping and appropriate documentation of the cards, including the distribution to the recipients.

4. Gift cards may only be purchased in amounts of $25.00 or less.

5. Unused Gift Card will be accounted for.

6. Academic based gift cards impact a student’s financial aid, therefore the cards purchased are not to be distributed for that purpose. Academic based payments are to be coded to Activity 9 (Financial Aid) (http://www.uwsa.edu/fadmin/activity/). For U.S. Residents it is recommended that departments use the Scholarship Disbursement Process to make these payments. Information on this process can be obtained through your Dean’s Office and at (http://www.bussvc.wisc.edu/bursar/skolmenu.html). The Payment to Individual Report (PIR) may also be used for U.S. Residents and must be used for Nonresident Aliens (NRA) but appropriate signature must be obtained from the Financial Aid office if a PIR is used.

Purchases on Grant money must be pre-approved by Research and Sponsored Programs prior to submitting the form into the Dean’s Office for final approval. The Gift Card Recipient Log is to be used to document the name and contact information of each recipient. All card documentation must be attached to the Purchasing Card Statement of Account Report that reflects the gift card purchase.

For details on payment of Prizes, Awards and Gifts please refer to UW System Administration UW System Administrative Policy 330 (formerly F46) on Prizes, Awards and Gifts.

2. PURCHASING GIFT CARDS AND GIFT CERTIFICATES FOR INSTITUTIONAL REVIEW BOARD (IRB) RESEARCH SUBJECTS STUDIES

Refer to the 200-Custodian Funds Policy and 200.2: Temporary Fund Procedure.