GIFT CARD AND GIFT CERTIFICATE PURCHASE POLICY

Policy Statement

The university must adequately document the purchase and distribution of gift cards and gift certificates purchased using university or grant funds.

Reason for Policy/Purpose

This policy is required for the effective communication of university policies regarding the purchase of gift cards and gift certificates.

Who Needs to Know This Policy

All members of The University of Southern Mississippi community.

Website Address for this Policy

www.usm.edu/institutional-policies/policy-adma-pur-013

Definitions

Policy/Procedures

POLICY

- Gift cards/gift certificates cannot be purchased with university funds for the purpose of giving an employee a “gift” or “reward.” See Procurement policies regarding hospitality: www.usm.edu/institutional-policies/policy-adma-pur-000-002, www.usm.edu/institutional-policies/policy-adma-pur-000-003.
• Gift cards/gift certificates in this policy are for human research subjects only.
• Gift cards/gift certificates cannot exceed $50. No USM employee may receive a gift card. If an employee participates in a human research project, the payment must be made through Human Resources.
• Non-resident aliens must be compensated through Human Resources.
• The issuance of gift cards for research subjects must be approved by the Institutional Review Board (IRB) prior to the purchase of the cards.

PROCEDURES FOR OBTAINING GIFT CARDS/GIFT CERTIFICATES

• Authorization for the Purchase of Gift Cards/Gift Certificates Via Procurement Card
  1. Permission must be obtained from the Procurement Card Administrator in Procurement Services.
  2. When permission is obtained, notification will be sent to the Office of Budget and Tax Compliance.
  3. The Office of Budget and Tax Compliance will contact the department regarding requirements for keeping logs, reporting income, etc.
  4. Approval from the IRB must be obtained prior to purchase of the cards.

• Authorization for the Purchase of Gift Cards/Gift Certificates with Grant Funds
  1. Whether Gift Cards/Gift Certificates are purchased with Procurement Cards or by some other means, if purchased with Grant Funds approval must be obtained from Sponsored Programs Administration (SPA).
  2. Gift Cards must be specifically listed in the budget and approved by the sponsor.
  3. Approval from the IRB must be obtained prior to purchase of the cards.
  4. A copy of the IRB approval along with the Request for Gift Card Purchase form must be submitted to SPA.
  5. When permission is obtained, notification will be sent to the Office of Budget and Tax Compliance.
  6. The Office of Budget and Tax Compliance will contact the department regarding requirements for keeping logs, reporting income, etc.

DEPARTMENTAL DOCUMENTATION

1. The Principal Investigator (PI) must keep a confidential log of the recipients. Form available at https://www.usm.edu/procurement-contract-services/p-card-manual-and-forms. If social security number is not provided, the department chair must sign the form.
2. Updated logs must be provided to the Office of Budget and Tax Compliance on a monthly basis.
3. The Office of Budget and Tax Compliance will report any taxable income for non-USM employees to Accounts Payable. This income typically occurs when the non-employee receives a total of $600 in a calendar year.
4. Log entries for USM employees and non-resident aliens will be cross-referenced with information received by Payroll from the issuing department.
5. If logs are not submitted, the full amount of the gift cards/gift certificates will be reported as income to the PI.
6. Gift cards must be kept under lock and key. The individual purchasing the gift cards should not be the one distributing them.
7. Multiple cards cannot be issued to one individual for the same meeting participation.
8. Completely anonymous recipients must be approved by the IRB.

Any questions regarding the content of this policy should be directed to the Office of Budget and Tax Compliance.

Review

The Director of Procurement and Contract Services is responsible for the review of this policy every four years (or whenever circumstances require immediate review).

Forms/Instructions

Confidential log of recipients available at https://www.usm.edu/procurement-contract-services/p-card-manual-and-forms

Appendices

N/A

Related Information

N/A

History

11/01/11: Formatted for Institutional Policies website.
02/20/13: Formatted for template. Minor editing throughout.
Amendments: Month, Day, Year – summary of changes
Authorization

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ADMA-PUR-000-013

As the Responsible Officer, I have reviewed this policy and believe it represents the current policy.

[Signature]
Responsible Officer

14 MAR 2013
Date