



## POLICIES AND PROCEDURES

### GRANTS AND CONTRACTS

---

---

Subject: Gift Card Issuance Procedure

Policy No.: AP 253

Last Revision Date: 04/04/2023

Orig. Date: 4/4/2023

Revision: 0

---

- A. **Definition**
  - B. **Guidelines**
  - C. **Restriction by Amount**
  - D. **Confidential Study**
- 

#### A. **Definition**

A gift card also known as a gift certificate, is a prepaid stored-value money card, usually issued by a retailer or bank, to be used as an alternative to cash for purchases within a particular store or related businesses. A gift card may be in the form of a physical plastic card or as an electronic code that is redeemable online.

#### B. **Guidelines**

1. Gift card purchases are only allowed as incentives if allowed for use by the sponsoring agencies and fall within the program guidelines.
2. The distribution of gift cards must be deemed reasonable and contribute to the scope of work specified under the grant/contract agreement
3. Grants/Contracts projects providing gift cards as incentives to research subjects must include proof of Institutional Review Board/Human Subjects (IRB) approval.
4. All participants who are students/faculty/staff of Cal Poly Pomona University or employees of Cal Poly Pomona Foundation, are eligible to receive a gift card only in Bronco Bucks

#### C. **Restriction by Amount**

Gift Cards to compensate individuals such as event volunteers or research study participants are considered cash equivalent and are subject to tax rules.

- Gift cards issued up to \$50.00 must include:
  - List of eligible participants:
    - Name
    - Amount
    - Last four numbers of the Gift Card i.e. XXXX-XXXX-XXXX-1234



## POLICIES AND PROCEDURES

- Initials of the recipient confirming payment
- Gift cards issued greater than \$50 and less than \$600 must include:
  - List of eligible participants as stated above
  - List of gift cards with the last 4 digits of the gift card number
  - Prize and Award for each Gift Card recipient ([F01102F](#))
- Gift cards issued \$600 and over to the same individual in the same calendar year must include:
  - List of Participants as stated above
  - Vendor Data Record: Form 1099 will be issued at the end of the calendar year
  - Prize and Award for each Gift Card recipient ([F01102F](#))

### D. Confidential Study

If participants are involved in confidential studies the procedure for gift cards can be processed up to \$599 to anyone during the calendar year.

- Since the study is confidential, it is unnecessary to identify the name of the subject as is for non-confidential studies; an identifying code must be assigned to each subject
- A listing of these codes, along with the dollar amounts paid to each individual must be attached.
- A cross-reference of the coded identification, including the subject's name, the amount received, and the date, must be maintained by the Principal Investigator for a period of three years following the submission of the final financial report unless the terms of the award provide for a different period
- This information is required to be made available upon the request of internal/external and the Internal Revenue Service (IRS).