Policy 3030 (S) Gift Cards is a Community Solution Education System administrative policy that University of Western States has adopted.

UWS is a member of The Community Solution Education System (The System), an integrated nonprofit system of six colleges and universities working together to advance student success and community impact. Through a centralized infrastructure and distinct model of governance, universities within The System work together to achieve success in an ever-changing higher education landscape.

The System administrative policies, denoted with an (S) after the UWS policy number, are governing principles that serve to mandate or constrain action System-wide, and many apply to every affiliate. These policies help employees ensure compliance with applicable laws and regulations, enhance the System's mission, promote operational efficiencies, and/or reduce institutional risk.

Administrative policies intended to apply System-wide must undergo each affiliate's individual approval process. Revision to existing or development of new administrative policies must follow the approval process outlined by the System.

To read the full policy scroll to page 2.

1. POLICY STATEMENT

TCS Education System ("TCS") will organize and control the purchase and use of gift cards to ensure compliance with tax withholding and reporting obligations.

2. PURPOSE

This policy outlines the methods, guidelines, and procedures for the procurement and distribution of gift cards purchased with company funds. TCS provides this alternative payment source when cash or corporate credit cards cannot be utilized.

3. APPLICABILITY

This policy applies to the procurement and distribution of gift cards at TCS using company funds. Common uses of gift cards include, but not limited to, employee recognition, student travel, awards, and program-related expenditures.

4. DEFINITIONS

4.1 US Bank Visa Corporate Gift Cards

Visa-branded prepaid cards used for recognition of employees, awards, rewards, or prizes, in lieu of cash or check. Throughout this policy the term "gift card" shall include gift cards and electronic gift cards except where specified otherwise. All gift cards should be requested through the Accounts Payable department unless otherwise approved by the Controller/AVP Accounting.

4.2 Other Gift Cards

If approved by the Controller/AVP Accounting, other gift cards (gift cards obtained directly from a merchant and not obtained through Accounts Payable) may be purchased based on specific circumstances that cannot be satisfied by the preferred US Bank Visa Corporate gift cards. The gift card requestor will need to provide receipts for gift card purchases, similar to other reimbursable business expenses. Receipt handling guidelines are consistent with the Travel and Expense Reimbursement Policy.

Common types of other gift cards:

- Store gift cards or cash cards that are redeemable for large variety of commodities, such as Walmart or grocery store gift cards
- Virtual gift cards such as Amazon

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5. PROCEDURES

5.1. Gift Cards to Employees

Any gift cards purchased with company funds and given to an employee for awards, gifts, or prizes will be considered taxable income to the employee and added to their Form W-2 during the calendar year the gift card was received. There is no minimum dollar amount for this rule. See Taxable Employee Payments Policy for more details.

If a gift card is approved for TCS-related travel expenses or for a faculty grant, a cash advance is to be requested and those funds may be deposited on a gift card and disbursed directly from the Treasury Department. A reconciliation of expenses must be submitted. The reconciliation must include receipts that provide evidence about the funds were used. Gifts cards to employees for business use are not taxable to the employee as long as the reconciliation submitted is approved and adheres to the Travel and Expense Reimbursement Policy guidelines.

5.2. Gift Cards to Non-Employees

Gift cards presented to Non-employees may be taxable and reportable on Form 1099-MISC to the recipients if they are over $600.00. A gift card log must be maintained by the requestor for such individuals. A Form W-9 should be obtained from the gift card recipient at the time of gift card distribution if that individual might receive $600.00 or more during the calendar year. The gift card log and related Form W-9 should be shared with Accounts Payable by the end of the calendar year so that the Form 1099-MISCs can be distributed timely.

5.3. Single Purpose

Gift cards should never be used for any reason other than their originally stated purpose, as specified in the project's budget narrative, protocol, or recognition program. Gift cards must be used for that specific need and differing projects or purposes shall not be commingled.

5.4. Security

Gift cards must be secured at all times (i.e. in a locked box, locked cabinet or drawer). The custodian (senior, non-student, staff member) should have the primary set of keys, with a second person (alternative, non-student, staff member) possessing a duplicate key for the storage location.

5.5. Lost Cards

Employees are held responsible for any gift cards in their possession that are lost or misplaced. If a gift card or cards needs to be replaced, it is the responsibility of the custodian to provide the Treasury department with the last four digits on the card and the traveler number from the card as soon as practicable.

5.6. Procurement

Gift cards are to be requested using the Gift Card Request Form, a purchase order should be requested through the procurement system. Accounts Payable will process the form and send it to Treasury to order cards. The Treasury department will contact the requester once the cards are ready to be disbursed.

6. RELATED DOCUMENTS

- Gift Card Request Form
- Taxable Employee Payments Policy
- Travel & Expense Reimbursement Policy

7. CONTACTS

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