SPONSORED PROJECTS INCENTIVE GIFT CARDS

General
Incentive gift cards should be used solely for the payment of incentives or to cover or reimburse participant costs in sponsored programs conducted under the direction of the University of Oklahoma, Norman Campus. Incentive gift cards are administered through the Office of Research Services (ORS) and Outreach Sponsored Programs (OSP).

Limitation/Justification
Incentive gift card purchases should not exceed $5,000 at any one time. Purchases in excess of that amount must be supported by clear and extensive justification and must be approved by an executive officer of ORS or OSP, as applicable.

Request for Incentive Gift Cards
A request from the duly authorized designee for the purchase of incentive gift cards must be submitted for prior approval…first to ORS or OSP, as applicable, then to Financial Services (FS), and then, if applicable, to Procurement Card (Pcard) Administration via email: proadmin@ouhsc.edu. The request must contain the following information:

1. Sponsored program (department number) to be used as the source of funding.
2. IRB number, if applicable (this will be verified with the IRB Office).
3. Justification or reason(s) for the incentive gift cards.
4. The number of cards requested, the denomination, and the vendor.
5. The methodology used in determining the amount requested.
6. Name of the person buying the incentive gift cards.
7. Name of the person responsible (custodian) for managing and safeguarding the incentive gift cards.

ORS or OSP, as applicable, will determine (1) if expenditure for incentive gift cards is allowable per the terms of the related sponsored project, (2) determine whether funds are available, and (3) ensure that the principal investigator (PI) has a current Institutional Review Board (IRB) number on file, if applicable.

In order to ensure University compliance with the laws and regulations requiring tax reporting for certain payments to individuals, OSP and ORS must report to FS, at the end of each calendar year, the issuance of incentive gift cards with a value in excess of $100 or multiple cards issued totaling $100 or more. Incentive gift cards, regardless of value, given to non-US persons must be reported to FS and the department will be charged the required 30% tax on the total value. Separate but related, OSP and ORS must report to Payroll any incentive gift cards of $25 or more given to employees. Reported information must include each recipient’s (1) name, (2) address, (3) social security number, and (4) incentive gift card amount.

Pcard Administration will, if applicable and warranted, grant the necessary exception to allow purchase of incentive gift cards using a University Pcard.

Authorized Methods for Purchasing Incentive Gift Cards
Generally, gift cards (as opposed to incentive gift cards) may not be purchased using a University Pcard. However, in the case of incentive gift cards, for purposes of this policy a department will likely be granted an exception under the prescribed process (“Request for Incentive Gift Cards”)
set forth above. The department should document the exception number received by the Pcard Admin team.

Incentive gift cards may also be purchased by submitting for reimbursement through Financial Services or by submitting a payment request.

**Departmental Policies and Controls for Handling and Custody of Incentive Gift Cards**

Departments that use incentive gift cards must establish and maintain documented procedures and controls for handling and custody. They must be maintained on file with Internal Audit. They should address:

1. Retaining documentation of incentive gift card requests.
2. Obtaining account sponsor approval for incentive gift card purchases.
3. Retaining documentation of any Pcard exceptions requested and/or granted.
4. Maintaining documentation of departmental receipt of incentive gift cards (i.e., number, type, denomination, date).
5. Securely maintaining incentive gift cards in a secure location – within the department or at the site of the related activity – accessible only to the designated incentive gift card custodian.
6. Preventing the co-mingling of incentive gift cards purchased for different projects or purposes.
7. Maintaining documentation of the distribution of incentive gift cards. Recommended is a list bearing:
   a. Participant Name
   b. Participant Signature (If obtaining a direct signature is not possible, the reason must be clearly and fully explained; alternative controls must be duly approved and documented)
   c. Card Number
   d. Card Amount
   e. Date Received /Mailed
8. Ensuring that all incentive gift cards are reconciled at least monthly and at the end of each event.
9. Returning or re-purposing, at the end of the project period, any remaining incentive gift cards, accounting for and documenting such in detail.
10. Retention of all related documents in accordance with governing laws and regulations.

**Intangible (e.g., Online) Incentive Gift Awards**

The policies and procedures set forth above substantially deal with tangible incentive gift cards. The conferring of intangible (typically, online) incentive gift cards is also possible. In such instances, departments must clearly identify them as such and must devise, document, carry out, and enforce all necessary additional compensating controls and procedures and must maintain them on file with Internal Audit.