



Policy/Procedure Name: Gift Cards and Certificates

Purpose: To explain how Gift Cards and Certificates can be administered by the Foundation

Date Created or Last Revised/Recertified: 6/13/2018

Policy/Procedure Department: Foundation Finance

The IRS considers Gift Cards/Gift Certificates provided by an employer to be cash equivalent items and are never excludable from income disclosure*. As a related entity to the University, the Foundation is unable to provide Gift Cards/Gift Certificates independent of the University. As such, it is the Foundation's policy not to fund gift cards/gift certificate purchases for the purpose of distribution or awarding. The IRS also defines "employee" as any individual receiving a de minimis fringe benefit**.

The Foundation will not provide reimbursement to any person or department for the purchase of Gift Cards or Gift Certificates for distribution. The Foundation will pay for a Gift Card/Gift Certificate that is not for distribution but instead used for a University purpose by a department.

Exceptions to this policy must be preapproved by the Executive Director or the Chief Financial Officer of the Foundation.

IRS sources:

*De Minimis Fringe Benefits: <https://www.irs.gov/government-entities/federal-state-local-governments/de-minimis-fringe-benefits>

**Fringe Benefit Guide: <https://www.irs.gov/pub/irs-pdf/p5137.pdf>