I. Purpose:

To define and properly document the purchase and distribution of gift cards and gift certificates purchased using Grant and other University funds.

II. Definition/Guidelines:

• The purchase of gift cards/gift certificates, incentives, or prizes should have prior approval via a completed Authorization for the Purchase of Gift Cards/Gift Certificates, Incentives, or Prizes form.
• Gift cards/gift certificates must be treated like cash and administered with a high level of security.
• The maximum value allowed for a single gift card is $100.
• At no time may the Principle Investigator for sponsored projects or any ECU employee use a gift card or incentive item for personal use.
• Gift cards/gift certificates may be allowable as prizes for students participating in a University sponsored event or an incentive for research participation as allowed by the appropriate funding authority. Non-monetary incentives may also be allowable in these cases.
• When gift cards are being purchased with grant funds, the following criteria must be met: (1) the gift card is for research participant incentive payments only, and (2) costs for such incentives are included in the grant’s budget and are allowable by the terms and conditions of the specific grant.
• A distribution log for any type of incentive or prize is required. Logs for gift cards should include the number of cards purchased, the number of cards distributed, and the number of cards on hand. This log should be maintained current at all times.
• A final distribution log should be submitted to the appropriate funding office (i.e. Grants, Student Affairs, and Financial Services) at the end of the project and prior to the end of each fiscal year. This is required to comply with 1099 tax reporting regulations.
• Distribution logs deemed confidential should be maintained in accordance with the Office of Grants and Contracts Policy and Procedure titled Payments to Research Participants (Human Subjects).
• The preferred method of purchase is via a PORT requisition or ECU ProCard.
III. Procedures

A signed Authorization for the Purchase of Gift Cards/Gift Certificates, Incentives, or Prizes form is required PRIOR to the purchase of any gift card/gift certificate or other non-monetary incentive or prize. Authorizations are reviewed on a case-by-case basis and are provided for a single intended purpose only (i.e. a research study or campus event) as specified in the detailed description and business purpose section of the form. A new authorization is required for an additional project, study, or new event.

If the original intended purpose or intended vendor changes, a new authorization form is required.

All authorizations require the requestors/principal investigator’s signature, the Dean or Department Head of the requesting department approval, and that of the funding office.

Materials Management has final approval and can only consider authorizations that are complete and have been funneled through the appropriate channels and signed accordingly.

A. Human Subjects/Research Participants

- The Division of Research and Graduate Studies, Office of Grants and Contracts Policy and Procedure titled PAYMENTS TO RESEARCH PARTICIPANTS (HUMAN SUBJECTS) applies and may be viewed at http://www.ecu.edu/financial_serv/index-grantsandcontracts.cfm.

- The policy titled PAYMENTS TO RESEARCH PARTICIPANTS (HUMAN SUBJECTS) should be followed regardless of funding source when subjects are involved.

- UMCIRB approval: No human subject payment of any type may be made for a research subject without an approved UMCIRB protocol.

- Grant’s approval: No payment of any type may be made to a research subject, from a sponsored project, without approval by OGC that subject payments are authorized under the specific award.

- The preferred purchasing method is the ECU ProCard; Gas card purchases, however, are purchased via a requisition in the PORT system.

B. Student Prizes

- A complete and signed Authorization for the Purchase of Gift Cards/Gift Certificates, Incentives, or Prizes is required PRIOR to making the purchase.
➢ Special Funds/Student Affairs will verify the appropriateness of the request and sign the authorization form prior to being sent to Materials Management.

➢ The preferred purchasing method is the ECU ProCard.

➢ All distribution logs for student awarded prizes should contain the following information:
  - Student’s name
  - Banner ID
  - Description and value of prize
  - Student’s signature verifying receipt of item

➢ Distribution logs are to be sent electronically or via campus mail to Stephanie Coleman, Accountant, Student Affairs, Spilman Rm 116.

Once the **Authorization for the Purchase of Gift Cards/Gift Certificates, Incentives, or Prizes** has been approved, Materials Management will notify the requester via email and will return the form to the department so it may be submitted with the payment vehicle.

Materials Management will send one copy of the **Authorization for the Purchase of Gift Cards/Gift Certificates, Incentives, or Prizes** to the Grant’s Office, if applicable, and one copy to Stephanie Coleman, Accountant, for University tracking purposes.

Questions may be directed to Lisa Ross, Compliance Officer, ECU Materials Management at 328-1006 or rossli@ecu.edu.

### IV. Departmental Documentation

Departments and Principle Investigators for Sponsored projects are responsible for accurate record keeping including disbursement logs and other documentation that may be required by the funding agency.

- Proof of original purchase is required (i.e. priced, itemized receipt) and should be submitted with the appropriate form of payment. A copy should be kept on file with the department.
• The completed *Authorization for the Purchase of Gift Cards/Gift Certificates, Incentives, or Prizes* must be submitted with the appropriate form of payment. A copy should be kept on file with the department.

• At all times the total of the undistributed gift cards/gift certificates and the disbursement log must equal the total of all gift cards/gift certificates purchased.

• Departments should be prepared at all times to provide a packet of information documenting the authorization, purchase, disbursement, and number of cards or incentives on hand when requested for audit.