UA Gift Cards Guide

1.0 Overview
Gift cards may be allowed in situations where it is determined that the expenditures are in the best interest of the University and promote the purposes of the University. For example, gift cards may be provided as an incentive to encourage participation in a UA research study. The determination of whether a gift card is an allowable gift is dependent upon the selection of the recipient, the reason for the gift, and the recipient’s affiliation to UA.

UA has partnered with Cadence Bank and Prepaid Technologies to provide departments with a flexible solution for purchasing and providing gift cards to recipients. A UA branded gift card is now available that can be loaded and unloaded with any value and provided to departments for various needs. See UA Gift Card Materials for images of the reward card and attached documentation that can be provided to recipients.

2.0 Requesting Gift Cards
To request gift cards, please complete the Gift Card Request Form on the Accounts Payable website and submit to Accounts Payable. Upon approval of the Gift Card Request, the cards will be issued to the custodian listed. When gift cards are distributed, signature sheets must be obtained from each recipient and returned to Accounts Payable.

Prior to requesting the gift cards, please review the below regarding the allowability of gift cards. If you have any questions, please contact Accounts Payable.

3.0 Allowability of Gift Cards

3.1 Nature of Selection

**Awards**
Awards are gift cards given for meritorious performance, productivity or other reasons. Awards can also be given to non-employees in recognition of an accomplishment, achievement or activity that does not require the performance of a service.

While employment and education related awards can be provided to UA employees and students, these awards should be processed through HR and Student Receivables, respectively, and cannot be given via a UA gift card. UA gift cards are allowable for awards unrelated to employment or education to non-UA Individuals.

**Gifts**
Gifts are non-cash items given to express appreciation or gratitude. Gifts are not related to job performance and no negotiation is conducted in advance. Examples include items given to a donor for appreciation/recognition of donation to UA or to a speaker for appreciation/gratitude. UA gift cards cannot be utilized for gifts.

**Incentives**
Incentives are items given in order to motivate or encourage response or participation to a survey, questionnaire, or event. Incentives are typically used by grants or research projects and must have a documented anticipated benefit. UA gift cards are allowable for incentives.

**Prizes**
Prizes are items of value received as a result of a contest of skill or participation in an event. Examples of contests of skill include a golf tournament or a basketball shooting contest. Prizes may only be awarded where benefits are expected to accrue to the University, such as an increase in event attendance or to raise funds/donations. UA gift cards are allowable for prizes.

**Drawings**

Prizes and incentives may be given as a result of a drawing. Drawings are only allowable in situations where everyone involved in an event, organization, etc., has an equal chance to receive an item and where involvement is not exchanged for something of value. Completing a survey, providing information, or participation in an activity are allowable forms of involvement in the drawing. For example, if all participants in an event are entered into a drawing, and the participants did not have to provide something of value to be entered, then this type of drawing would be allowable. UA gift cards may be provided as an incentive or prize through a drawing.

Note that raffles and games of chance in which a person risks something of value are currently illegal in the state of Alabama due to gambling laws.

### 3.2 Affiliations of Recipients

**UA Employees**

Gift cards are generally unallowable as gifts to UA employees. This would be considered taxable compensation and is reportable on Form W-2.

**UA Student Employees**

Student employees receiving a gift card related to their position with the University should be reviewed as employees. As such, gift cards are generally unallowable as gifts to UA student employees as this would be considered taxable compensation and reportable on Form W-2.

**UA Students**

Gift cards given to UA students are potentially reportable as Other Income on Form 1099.

**Non-UA Employees**

Gift cards may be given to non-employees but are potentially reportable as Other Income on Form 1099.

### 3.3 Responsibilities of Custodians

Upon approval of the gift cards for use, Accounts Payable will issue the UA gift cards to the custodian. The custodian agrees to hold, disburse and track the UA gift cards in accordance with UA policies and procedures. Custodians agree to perform the below actions for all gift cards issued.

- Maintain custody of the UA gift cards in a secured location with limited access until they are disbursed.
- Disburse the UA gift cards for the purpose noted on the Gift Card Request Form.
- Gather all necessary information on the Gift Card Log.
- Obtain Signature Sheets from each recipient or an approved Research Participant Form.
- Provide the Gift Card Log and all Signature Sheets to Accounts Payable by the date noted on the form.
- If holding the UA gift cards for more than one week, inventory and account for the unused gift cards weekly to ensure all are accounted for.
• Notify recipients that if they individually receive more than $600 of reportable income from the University in a calendar year, the value of the UA gift card will be reported for tax purposes on Form 1099.
UA Gift Card Materials

Activate Your Card

The Card is ready to use! To activate the Card, please visit: www.UAedu/activate or call 1-800-466-1397.

You will be prompted to enter the following:


About Your Prepaid Visa Card

Your Card is a prepaid Visa Card. Spending is limited to the amount funded on the Card. You can use the Card at any time to purchase goods and services at merchants that accept Visa. The Card is non-transferable in person, by phone or online.

We take security very seriously.

Funded Visa prepaid Card of time of purchase and the transaction amount will be immediately deducted from your Gift Card balance.

We work to keep:

Visa gift card holders information safe and secure.

Your prepaid Visa Card offers all the protection and security features found in other Visa credit cards.

See Cardholder Terms and Conditions for more information.

KEEP THIS NUMBER HANDY!

TO REPORT A LOST OR STOLEN CARD IMMEDIATELY CHECK YOUR BALANCE OR GET INFORMATION CALL 1-888-821-1397

Frequently Asked Questions

How do I activate my pre-paid card?

You can activate your pre-paid card by going to: www.UAedu/activate or by calling 1-800-466-1397.


What is the best way to use my card?

You can use your Gift Card at any time to purchase goods and services at merchants that accept Visa. The Card is non-transferable in person, by phone or online.

Is the Card eligible for cash advances?

No, the Card cannot be used to make cash advances. You cannot use the Card to withdraw cash from an ATM or other cash-deposit machine.