

Physical Gift Card Purchasing Procedures

If the gift card purchase is \$5,000 or **below**, refer to **section A**. If the gift card purchase is **above** \$10,000, refer to **section B**.

A. Purchase \$10,000 and below:

1. Submit a requisition in UShop, using the Amazon punch out and attach completed Gift Card Purchase Request Form.
2. Complete check-out process within UShop.
3. Physical gift cards may also be purchased through the Positively U Gift Card/Ticket Purchase Request or the Campus Store Print & Carry Request.
4. If you will be using a University PCard, prior to the purchase you must have an approved Gift Exemption form. Please submit the Gift Exemption Form Request on the [PCard Website](#) under Forms.
5. Implement Internal Control Requirements--see below.

B. Purchase above \$10,000:

A procurement process is required unless there is an existing awarded agreement. A discount on orders over \$2,500 may be available. Please contact the Purchasing Buyer.

1. Submit a UShop Purchasing Request Form with the supplier selected as: New Supplier.
 - a) Amazon and Harmons currently have awarded agreements.
 - i) For Amazon, use 'ACI Gift Cards LLC' within Ushop
 - ii) For Harmons, contact Purchasing Buyer
2. Prepayment Exception Request Form will need to be included with the requisition for the order total. https://fbs.admin.utah.edu/purchasing/forms_pur/
3. Purchasing Buyer is responsible for submitting the order for physical gift cards with the vendor, and will provide an invoice to the department.
4. The department initiates payment by forwarding the invoice, *with the PO number on it*, to Accounts Payable. Typical invoice processing time applies. A chartfield can also be included on the invoice to cover expedite fees should expedited processing be required.
5. Physical cards are not sent until payment is received. Vendors process orders on a first-in/first-out basis.
6. Buyer will provide tracking information to the department, once cards have shipped.
7. Implement Internal Control Requirements, see below.

Gift Card Internal Control Minimum Requirements (regardless of purchase total dollar value)

Gift cards should be safeguarded at all times and accounted for as if they were cash.

1. Physical Access
 - a) Gift cards should be secured in a locked space and access should be limited to the card custodian or a dual access safe should be used.
 - b) Gift card funds should be maintained separately and should not be comingled. If multiple gift card funds are stored in the same locked space, they should be in physically separate containers, such as an envelope or box.
 - c) If gift cards are mailed to recipients, there should be two employees in the room at all times while gift card mailings are prepared. The address the gift card is mailed to should be retained as part of the Gift Card Log.
 - i) For gift cards mailed to employees, confirmation of receipt should be requested.
2. Inventory Reconciliation
 - a) Gift card inventory reconciliation should be performed upon receipt and no less than monthly, thereafter.
 - i) Inventory should be performed by someone other than the Card Custodian with the Card Custodian present.

- ii) Inventory should be equal to number gift cards purchased less sum of disbursements from the fund's Gift Card Log.
 - iii) Discrepancies should be reported immediately to the applicable department head.
 - b) Gift card transfers to Additional Custodians should occur only if necessary to fulfill the business purpose of the gift card.
 - i) The Gift Card Transfer Log should be completed for all non-disbursement gift card transfers between the Card Custodian and designated additional Custodian.
 - ii) The additional Custodian should maintain a Gift Card Log for cards transferred to them and return it to the Card Custodian with any undisbursed gift cards or upon disbursement of all transferred gift cards.
 - iii) The additional Custodian should complete inventory reconciliations at intervals designated by the Card Custodian and provide the Card Custodian a current copy of the reconciliation form.
 - iv) The Card Custodian should include transferred cards when reconciling the gift card fund.
 - v) When the additional Custodian no longer requires cards from the gift card fund, the reconciliation form should be provided to the Card Custodian and retained as supporting documentation with the Card Custodian's fund reconciliations.
- 3. Gift Card Log
 - a) A gift card log is required for all disbursements of gift cards. The log should include the minimum fields:
 - i) Reconciliation date
 - ii) Confirmation of card count verification
 - iii) Confirmation of value verification
 - iv) Confirmation of email verification
 - v) Name of the person performing the reconciliation
 - a) The gift card log should be updated each time one or more gift cards are disbursed.
 - b) The gift card log should be retained in a secure location with limited access. Completed logs should be uploaded as an attachment in UShop.
- 4. Gift Cards to Students
 - a) Verify with Financial Aid/Scholarship office for students on scholarships, including international students for eligibility.
 - b) Some students may not be eligible unless the gift card is for a random drawing or offered to the public.
- 5. Gift Card lists for employees should be sent to Tax Services with the following information:
 - a) Employee Name
 - b) Employee UNID
 - c) Employee Job Code
 - d) Organization ID
 - e) Home Department
 - f) Gift Amount
- 6. Departments may contact Internal Audit for a review of proposed internal controls. Due to the high risk nature of gift card transactions, internal controls and documentation are subject to both internal and external audit review.

As the Card Custodian, I have read and understand the internal control requirements for gift cards.

Card Custodian Print Name _____

Card Custodian Signature: _____ Date: _____