



July 27, 2007

## Gift Cards

The trend of purchasing gift cards to recognize participation and involvement in university activities is becoming increasingly popular and, as a result, the Finance and Procurement Help Desk is answering more and more questions on the topic. Keep reading for some of the most frequently asked questions, along with their respective answers.

### *What do I need to know when purchasing gift cards?*

Gift cards are discussed at great length in the [PSC Procedural Statement Recognition and Training Activities](#). They are considered to be cash-like, and the organizational unit distributing them must complete a [Recognition Reporting Form](#) whenever a gift card is handed out – regardless of the amount. The routing of the RR Form depends upon who receives the gift card. If the recipient is an employee, route the RR Form to PBS; For non-employee recipients, route the RR Form to the PSC. Remember, because gift cards are considered cash-like, a formal recognition program must be in place prior to distributing the gift cards.

### *Is there ever a case when the Recognition Reporting Form is not required?*

Some research studies use gift cards for clinical trial study payments. These should be charged to a subject studies account code and do not require the RR Form. Contact your campus sponsored projects office or campus controller's office if you plan to use gift cards in this manner.

### *What procurement methods can I use to purchase gift cards?*

The preferred method for purchasing gift cards is the Procurement Card, followed by a PO. As with any purchase, be sure that buying the gift cards is an appropriate use of university funds, and provide a thorough description of the business purpose on your purchasing document. Not sure what constitutes an appropriate use of university funds? Check out the [Tests of Propriety](#).

### *Can I pay personally for the gift cards and be reimbursed?*

Although discouraged, it is possible to purchase the gift cards with personal funds and be reimbursed on a Payment Voucher (PV). You will need to provide a comprehensive business purpose detailing why the gift card purchase is a reasonable and appropriate use of university funds, and explaining why you did not use a preferred procurement method to make this purchase.

### *I notice the Recognition Reporting (RR) form requires social security numbers. Why?*

Social security numbers are required for tracking purposes within Payroll and Benefits Services (for employees) and within the PSC for non-employees. In the PSC, a tally is kept for each social security number submitted so the PSC can determine when an IRS Form 1099 form needs to be issued to a recipient. The PSC keeps the tally for each recipient that is not an employee, and PBS keeps the tallies for all employees. Note: The University is required to issue an IRS Form 1099 if a recipient's tally is \$600 or more during a calendar year. Whether a 1099 is issued or not, it is always the recipient's responsibility to discuss tax implications with their tax advisors.

### *I've already given the gift cards out as door prizes. What if I don't know each recipient's social security number for the RR form?*

Social security numbers are always required on the RR form. If they were not provided by every recipient, you will need to discuss the issue with your campus controller to determine the best course of action.

## Before you buy an iPhone

### *Keep in mind...The University will not reimburse you*

With the recent introduction of the iPhone, the Finance and Procurement Help Desk has received numerous inquiries about whether the purchase of an iPhone made with personal funds will be reimbursed by the University. The answer is "no." As articulated in the [PSC Procedural Statement on Personal Technology & Telecommunications](#), "The purchase of wireless telecommunications equipment may not be reimbursed except in situations of emergency, as defined in University of Colorado [Procurement Rules](#)."

## PSC Staff News

### *Congratulations Betty Heimansohn*

The Procurement Service Center (PSC) is pleased to announce that Betty Heimansohn is now the PSC's Procurement Card Administrator. In addition to her past duties as the Procurement Card Specialist, Betty will now oversee the entire Procurement Card program. She is heavily involved in the implementation of the new Expense System and is looking forward to the automated processes it offers. Betty has been with the Procurement Service Center for over eight years. **Congratulations Betty!**

## New How to Buy

### *Document Destruction Services*

Departments frequently tell us how much they appreciate the guidance provided in the various How to Buy documents on the Procurement Service Center (PSC) web site. These handy instructions cover the most commonly purchased commodities at CU. Now joining the How to Buy series is the new [How to Buy Document Destruction](#). The Document Destruction, and all other How to Buys are available in the [Who Buys What listing](#) on the PSC website.

There have also been recent updates to the How to Buys for [Rental of Event Equipment](#), [IBM Computers](#), [Temporary Employment Services](#), and [Office Supplies](#).

## More PSC Staff News

### *Welcome Chris Soriano*

Welcome to Chris Soriano who joined the Office of University Controller (OUC) in May. Chris has been hired as the Accounts Payable/Purchase Order lead in the Financial Systems Unit. Currently he is on temporary assignment with Procurement Service Center as the lead Project Manager for the Expense System implementation. Chris comes to us from Washington Mutual Bank in Seattle where he was the Program Manager in their Strategic Sourcing department. He is an alumni of Washington State University.

**Welcome Chris!**