

PARTICIPANT INCENTIVE GIFT CARDS POLICY

**University of Oklahoma
Norman and Health Campuses**

Purpose

To document the definition and scope of participant incentives payments and to provide an explanation of the process and procedures for acquiring, maintaining, and distributing participant incentive payments.

General

Participant incentive payments are those payments made to individuals to compensate them for participation in various studies/programs conducted at the University of Oklahoma. The University pays individuals an agreed upon amount to participate in these studies/programs. The amount paid may be subject to Federal and State income reporting requirements and may also be subject to Federal and State tax withholding. This policy is intended to cover payments to both University and non-University employees who have agreed to be participants.

Participant incentive gift cards should be used solely for the payment of incentives or reimbursement of costs to participants at the University of Oklahoma. The procedures below provide a uniform and systematic method for the maintenance of gift cards administered through all funds.

Request for Participant Incentive Gift Cards

An email request from the Principal Investigator, Faculty Member or Department Administrator for the purchase of gift cards must be submitted for prior approval to pcard@ou.edu. **Each purchase requires a new approval.** The request for the gift cards must contain the following information:

1. The complete chartfield to be used.
2. IRB number if required (this will be verified with the IRB Office).
3. Name, purpose, and short description of study (includes justification or reason(s) for the gift cards).
4. The number of cards requested, denomination of cards requested, methodology used in determining the amount requested and the projected timeline of dispensing the gift cards.
5. Name of the responsible party (research coordinator) for maintaining the gift cards.
6. A copy of the IRB approved Patient Consent Form must also be submitted with the first request and with any modifications to the protocol patient reimbursement amount if IRB approval is required. (Not required for training disbursement compensation).

In addition, all gift card purchasers must have a copy of their departmental procedures on file with Grants and Contracts Accounting (for SPNSR funds) and Financial Services (all other funds). These can be submitted as an attachment when the gift card request is sent to Pcard Administration. All requests for gift card purchases must be approved by Grants and Contracts Accounting (GCA) and/or Financial Services prior to purchase.



Restrictions/Limitations

1. Gift card requests should be restricted to the amount needed for distribution **over a 4-6 week period**. Please do not request the entire budget amount unless they will be distributed in a 4-6 week period.
2. Gift card purchases **may not exceed \$2,000 at any one time**. Exceptions may be approved by the Assistant Vice President of Research Financial Services (if SPNSR funds) or the Controller (all other funds) on a case-by-case basis.
3. Gift cards cannot be managed/distributed by non-OU employees unless the funds are issued through a subrecipient agreement.
4. Gift cards must be secured within the department or at the site where the research/work is being conducted.
5. Distribution of gift cards is restricted to the payment of incentives or reimbursement of costs to participants.
6. Gift cards should not be co-mingled with gift cards purchased for other projects.
7. **Resident Aliens and Non-Resident Aliens cannot be paid by gift card**. Payment must be made through an Accounts Payable voucher.
8. Employees should not receive gift cards for purposes outside of research study participation. Receipt for all other purposes is taxable to the employee.
9. Any remaining gift cards at the end of the project period must be credited back to the award, if the award is sponsored (SPNSR chartfield).

Purchase of Incentive Gift Cards

All gift cards must be purchased using a University Pcard after receiving the proper approvals. The exception number received from the Pcard Admin team should be documented in the comment box during the monthly reconciliation and the exception email should be attached to the transaction in PeopleSoft. The GL code for gift card purchases is 921200 – Participants. **Note:** Visa gift card purchases may have additional fees per card and decrease in value after one year of inactivity.

Maintenance of Incentive Gift Cards

Initiation of gift card maintenance will begin with the receipt of the gift cards. Gift cards received should be kept in a secure location. Evidence of disbursements should be retained and kept with the gift cards. The participant must sign that they have received the gift card. If obtaining a direct signature is not possible, then you must ensure compensating controls are in place. Custodians are responsible for the safekeeping of the gift cards. Loss/theft of gift cards must be reported to Campus Police for gift cards to be replaced with university funds.

Remaining Gift Cards at End of the Budget Year or Project Period (SPNSR Only)

At the end of the award year, GCA personnel will contact the Principal Investigator and/or department contact for the award to start the final report preparation. During this preparation the GCA Grant Analyst will need to verify that no research incentive gift cards remain in inventory. If there is a continuing year of the award, then the gift cards can be moved to the next year of the award by submitting a cost transfer. If there is no continuing year, then all cards left in inventory must be credited back to the award.

Example: If your award period ends on June 30, all participants must complete the milestone associated with the payment no later than that date.



IRS Reporting Requirements

Participants receiving incentive payments totaling over \$2,000 per calendar year must receive a 1099 from the University for tax reporting purposes. **To ensure compliance, individual payments of \$300 (or more) or cumulative payments expected to exceed more than \$1,600 for the calendar year must be reported to Financial Services, fstax@ou.edu.**

Failure or refusal to collect the required IRS reporting information may lead to the department being ineligible for use of gift cards for participant payments in the future. Payments meeting the required reporting thresholds discussed above must be submitted to fstax@ou.edu **on a quarterly basis.**

Compliance Reviews

Gift card inventories and reconciliations are subject to audit by Internal Audit and Financial Services. Financial Services will periodically request supporting documentation to ensure compliance with university policy.