

Subject: PNC Visa Gift Cards	Author: Controller/Treasury
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I. Policy

- A. PNC Visa Gift Cards (subsequently called ‘Gift Cards’) offer an optional payment method for non-recurring payments to various parties. Payments may be for the purpose of recognizing employee outstanding performance, employee and non-employee participation in research and studies, and appreciation for a guest’s time and talents. These Gift Cards may not be appropriate for all situations or circumstances. Consider carefully the following information to determine their applicability to your needs.
- B. Gift Cards may **NOT** be used:
1. To pay trade suppliers for goods and/or services received and/or rendered.
 2. To pay any type of wages for services rendered.
 3. To circumvent university purchasing, reimbursement, payroll or accounts payable procedures.
- C. Departments may choose to purchase Gift Cards from another source (i.e., Target, Wal-Mart, Macy’s, etc.). [Instructions and guidelines on how to purchase these types of Gift Cards.](#)
- D. All Gift Card requests shall be submitted on a [Request for Disbursement form](#) and will be paid to PNC bank directly by the University. The University will not reimburse an individual for any Gift Card purchase.
- E. Gift Cards are the same as cash and must be handled accordingly. Only employees authorized to handle monies for university business should have access to Gift Cards. Employees are required to appropriately safeguard, account for and document all Gift Cards. Until disbursed, Gift Cards should be maintained in a secure, locked device or some other location appropriately approved by the Controller’s Office for money storage.
- F. Minimum order is **sixteen (16)** Gift Cards with a **minimum value amount of \$10** and a **maximum value amount of \$500** for each card. (Cards are issued in whole dollar amounts between \$10 and \$500.) Orders of 15 Gift Cards or less must be purchased in-person at a local PNC branch. **Note:** *Orders of 16 Gift Cards or more cannot be purchased at a PNC branch, but must be submitted to Treasury and placed as a bulk order.* The activation fee is \$3.95 per Card when purchased at a PNC branch. The same [instructions and guidelines used to purchase Gift Cards from another source](#) (I. Policy, C.) must be followed to purchase 15 Gift Cards or less.

- G. The department will also be responsible for the activation fees and shipping charges.
1. The bank charges an activation fee of **\$2.95** per card.
 2. The bank charges a shipping fee based on the number of cards purchased:
0-50 Cards \$9.95, 51-100 Cards \$14.95, 101-200 Cards \$24.95, 201-300 Cards \$34.95, 301-400 Cards \$44.95, 401-500 Cards \$54.95.
- H. Gift Cards, in any denomination, given to **employees** are taxable and must be reported on their W-2. [Additional information on employee taxable compensation](#)
1. Gift Card compensation to an employee is reported to Human Resources using their "[Noncash Compensation Form](#)."
 2. Mark type of compensation as "Gift Cards" and enter the total amount of the Gift Card in Taxable Amount.
 3. Return the completed, signed, and dated original to Controllers Office / Treasury Management via Campus Mail. The form will be forwarded to Human Resources.
- I. Gift Cards given to **non-employees** may be reported on a 1099-MISC form at the end of the year, if the recipient meets the IRS' reporting threshold. The University's Tax Department will be tracking Gift Cards disbursed to determine reporting requirements.
1. If non-employee recipients are *known* at the time a request is submitted for Gift Cards, a [completed and signed W-9 form](#) for each recipient must be included with the request.
 2. If non-employee recipients are *unknown* at the time request is submitted for Gift Cards, a completed and signed W-9 must be submitted for each recipient to the University Tax Department at TAXDEPT@louisville.edu as the cards are disbursed.
 3. **It is the Department's responsibility to require a recipient to complete and sign a W-9 before they receive their Gift Card, and to forward the completed signed W-9 to the University Tax Department at TAXDEPT@louisville.edu.**
 4. To ensure we are complying with all IRS reporting requirements, departments will be contacted quarterly by the University Tax Department to confirm the number of undistributed Gift Cards still held.

II. General Information

- A. The Gift Card is a prepaid Debit Card that carries a fixed cash amount determined by the giver at the time of purchase. It can be used anywhere Debit Cards are accepted and each time it is used, the purchase amount is deducted from the available balance. Gift Cards can only be used for purchases. They are **invalid** for ATM or cash back transactions.
- B. Gift Card orders are submitted to Treasury Management in the Controller's Office using the Request for Disbursement form (instructions to follow in Section III. Order Request Procedures) and must be received at least ten (10) business days before the Gift Cards are needed. Orders will be processed after the request has been reviewed and approved.

- C. Caution should be exercised when determining the number of Gift Cards to order since they **cannot be returned to the bank for refund if not used** and have an expiration date. After the Gift Cards are received by the Department they are guaranteed not to expire before twelve (12) months.
- D. Upon receipt of the Gift Card the Recipient must activate the card either by contacting PNC Bank at the telephone number listed on the back of the Gift Card or by accessing the [PNC Bank Gift Card website](#).
- E. After the Gift Card is activated, the Recipient can obtain Gift Card balance and transaction information by contacting PNC Bank at the telephone number listed on the back of the Gift Card or by accessing the [PNC Bank Gift Card website](#). Vendor's capabilities vary and if a purchase is made exceeding the available balance of the Gift Card, the vendor may only receive a decline notification with no information of the actual balance available. The Gift Cardholder can choose to pay the difference of the purchase and the Gift Card balance by another means of payment.
- F. An inactivity fee of \$2.50 monthly will begin on the seventh month of inactivity after the card has been activated by the cardholder. The \$2.50 monthly inactivity fee will be charged until the card is used again or the balance is zero.
- G. Gift Cards that are lost or stolen can be replaced by contacting PNC Bank at the telephone number listed on the back of the card. Cardholder will need to have the 16-digit card number to request replacement and a replacement card fee will be charged. As long as the lost or stolen card is reported immediately, the cardholder will not be responsible for any unauthorized merchant charges.
- H. A brochure of Terms and Conditions fully explaining the rules regarding the use of the Gift Card is provided with each Gift Card and must be given to the recipient. The gift recipient accepts the terms and conditions by either signing the back of the card or using the card.

III. Order Request Procedures

- A. VISA Gift Card orders are submitted using the [Request For Disbursement \(RFD\) form](#) completed as follows:
 1. Vendor's Complete Mailing Address: Enter PNC Bank - VISA Gift Cards.
 2. Department Information: Enter Name, Contact, Phone, and Email Address.
 3. PS Vendor Number: Enter Vendor Number for PNC Bank: 0000086632.
 4. Date: Enter Date of the Request
 5. Special Instructions: Identify the name of the person who will pick up the cards.
Note: Identification will be required at pick-up.
 6. Line Description Information:
 - a. Enter number of Cards and the value of each card requesting to be ordered and the total value of the Cards. (Ex.: 16 Cards @ \$25.00 each).
 - b. Enter "Activation Fee @ \$2.95 each" and the total.

- c. Enter "Shipping Charges" and the total.
- d. Provide information explaining how the Cards are going to be used and who will be receiving them.

7. Speed Type, Account and Reimbursement Amount: Indicate each as follows:

- A. Enter the Speed Type/Program and Account number to be charged for the total face value of the cards with multiple Speed Types being used, if needed. Enter the total in Reimbursement Amount.
- B. Enter the Speed Type/Program and account number to be charged for the activation fees with multiple Speed Types being used, if needed. Enter the total in Reimbursement Amount.
- C. Enter the Speed Type/Program and account number to be charged for the shipping charges with multiple Speed Types being used, if needed. Enter the total in Reimbursement Amount.
- D. If the order is to be charged against a Sponsored Program, account number 155125 (PNC Visa Card) must always be charged for the total amount including activation fees and shipping charge. See V. Reconciliation for information pertaining to specifying the account number(s) to be debited after the cards have been distributed.

8. Authorized Signature: Sign at Authorized Signature, Printed Name and Title. The Authorized Signature must be an employee with the authority to approve cash disbursements.

- B. The completed and signed **original** RFD must be submitted to Treasury Management in the Controller's Office.

IV. Pickup

- A. Upon receipt of the Gift Cards a member of Treasury Management will notify the contact person via the email address provided on the RFD.
- B. The person picking up the Gift Cards must be the same person identified on the RFD as the responsible party assigned to pick up the cards and they must be prepared to present identification.
- C. At pick-up, the responsible party will verify count of Gift Cards and sign Receipt Log.

V. Reconciliation

- A. Gift Cards must be distributed in a timely manner. Note: A cards' expiration date can be a minimum of twelve (12) months.
- B. Sponsored Program - As the PNC Visa Gift Cards are distributed or at least monthly, the department will need to submit a Petty Cash Request Form and supporting documentation to the Controller's Office. The Controller's Office will then make an entry to expense the

PNC Visa Gift Card to the requested expense account and credit 155125 – PNC Visa Cards.

- C. PNC Visa Gift Cards purchased using non-Sponsored Program speedtypes will normally be charged to an expense account when requested. A department can choose to utilize the 155125 – PNC Visa Card account; however, they will be required to submit a Petty Cash Request Form as the PNC Visa Gift Cards are distributed.
- D. For more information see [Petty Cash Fund Policy](#).

UNIVERSITY OF LOUISVILLE

REQUEST FOR DISBURSEMENT

OFFICE OF THE CONTROLLER

Student ID # _____ Employee ID # _____ Other
(Please complete one)

VENDOR OR PAYEE'S COMPLETE MAILING ADDRESS PNC BANK VISA GIFT CARDS	Department Name: <u>XX</u> Department Contact: <u>XX</u> Department Phone: <u>XX</u> /EMAIL <u>XX</u>
PS Vendor Number: 0000086632 Date: <u>11/11/11</u>	SPECIAL INSTRUCTIONS: Cards will be picked up by: _____
Line Description Information: (For entertainment: Who/What/When/Where)	
(# of Cards) @ \$ _____ Each	\$0.00
Activation Fee @ \$2.95 Each	\$0.00
Shipping Charges	\$0.00
Information pertaining to what the Cards will be used for:	
TOTAL	\$0.00

SPEED TYPE	ACCOUNT	AMOUNT
XX	XX	\$0.00
XX	XX	\$0.00
XX	XX	\$0.00
		\$0.00

Please check if attachment should accompany check to the vendor

EMPLOYEE'S SIGNATURE (REIMBURSEMENTS ONLY)	TITLE
SUPERVISOR'S SIGNATURE	SUPERVISOR PRINTED
AUTHORIZED SIGNATURE	AUTHORIZED PRINTED
DEPT. HEAD SIGNATURE (ENTERTAINMENT ONLY)	DEPT. HEAD PRINTED