

## Gift Cards

**P-Cards cannot be used to purchase any gift cards, giveaways, prizes, or opportunity drawings.**

**Gifts of any kind must go through Purchasing.**

1. End-User creates requisition to Blackhawk Network Inc.
  - No quote needed.
  - Always add \$25 for shipping fees.
  - No VISA gift cards allowed.
  - Gift Card max is set by College Business Office
2. Buyer places order online with Blackhawk Network.
  - Buyer must have access to online account with Blackhawk.
  - Download pdf invoice and email to District Accounting for payment processing.
  - Blackhawk emails order confirmation.
  - Upload both invoice and order confirmation to PO.
3. Accounting processes invoice and issues payment.
4. Blackhawk receives payment and processes order (4-6 week) turnaround.
5. Gift Cards are delivered to Grossmont College Warehouse.
  - Warehouse contacts Purchasing
6. Buyer verifies quantity.
  - Buyer emails cashier's office and end user order receipt status.  
[Grossmont.cashier@gcccd.edu](mailto:Grossmont.cashier@gcccd.edu) Caroline Althaus [caroline.althaus@gcccd.edu](mailto:caroline.althaus@gcccd.edu)  
[Cuyamaca.cashier@gcccd.edu](mailto:Cuyamaca.cashier@gcccd.edu) Rabie Al-Shaikh [rabie.alshaikh@gcccd.edu](mailto:rabie.alshaikh@gcccd.edu)
  - Buyer provides College Business Office audit log template.
7. Warehouse delivers cards to College Cashier's Office.
  - College Cashier verifies quantity, signs delivery log, and stores cards in safe.
8. Program picks up gift cards at College Cashier's Office.
  - Cashier's Office issue quantity determined by Site Business Office.
  - Completed Gift Card Audit Log must be turned in to receive additional cards.
  - Program submits Monthly Excel Gift Card Log for issued cards to Business Office for review and Financial Aid reporting.
9. Site Business Officer must Audit completed Gift Card Logs that have been submitted to Cashier's office.
  - Site Business Office and Site Financial Aid are responsible for reporting.
  - All Gift Cards purchased with Grant Funds MUST be reported to Site Financial Aid.

## Funding Restrictions

1. **State Funds:** Expenditures for gifts **MAY NOT** be charged to State Funds except for a gift awarded to a student for an academic achievement. The Constitution of the State of California prohibits any gift of public funds.
2. **Contract and Grant Funds:** Federal, local government, and private contract and grant funds **MAY NOT** be used to purchase gifts, unless such expenses are specifically authorized in the contract or grant and only to the extent and for the purpose(s) so authorized.
3. **Non-State Funds:** Various non-State funds controlled by the District (endowments, gifts, etc) **MAY** be used to purchase gifts, in accordance with board policy and subject to any restrictions on those funds. In the event of a conflict between the terms of the funding source and District policy, the more restrictive policy shall apply.
  - **Honorarium:** One-time payment granted for special service, distinguished achievement, and special lecture, participation in a workshop, attendance or similar activities.
  - IRS regulation states gift cards in any amount count as taxable income and must be reported on Form W-2. Gift cards are a fringe benefit.
4. **Tax Reporting:** Under Internal Revenue Service regulations, the District will report any gift or award with a value of \$600 or more provided to a non-employee on a Form 1099. If a gift recipient is both a student and an employee, a determination must be made as to whether the receipt of the gift is dependent on the individual's employment relationship with the District. If the gift is not dependent in any fashion on the fact that the student was also employed by the District (a student prize for outstanding course work) the gift will be treated as a non-employee transaction.
  - Departments should collect a Form W-9 at events where cash prizes and awards will be distributed that are valued \$600 or more.
  - **Federal Taxation of Aliens:** policy regarding the withholding, reporting and remittance of federal income tax on any payment made by the District to a nonresident alien. Includes Asylee/ Refugee, any person who has been granted asylum but has not yet been granted permanent residency. Department distributing the gift card/ certificate is responsible for the payment of the applicable tax withholding of 30%.
5. *District and public officials can face potential legal liability, including taxpayer lawsuits, civil and criminal penalties, and the loss of public confidence, for the misuse or improper expenditure of public monies. (Gov Code 8314; Pen Code 424)*

Reference: CA Government Code 89501, Reg 18931.3, CA Constitution Article 16, Section 6



**Acknowledgement of Goods/Gift Cards Received**

Form must be completed before the distribution of the gift card or Incentive when log is not applicable.

NAME (print): \_\_\_\_\_ GCCCD STUDENT ID #: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

Gift Card Type: \_\_\_\_\_ Program: \_\_\_\_\_

Value of Gift Card: \$ \_\_\_\_\_ Gift Card Identifier Number: \_\_\_\_\_

Please Select One:

**I am a Grossmont-Cuyamaca Community College District Employee**

Select this box if you are an employee. You acknowledge that it is your responsibility to report the value of your gift card/ incentive to the appropriate taxing authorities, and that you are responsible for the payment of any tax liability that results from such reporting. If you receive \$600 or more in gift cards/ incentives from GCCCD during any calendar year, we are required to report this information to the IRS.

**I am a Grossmont-Cuyamaca Community College District Student (Related to Financial Aid)**

Select this box if you are a GCCCD student and you are receiving this gift/ certificate/ goods without any non-academic requirements or to defray the cost of attendance (such as gas cards/ grocery cards or bookstore cards), the value of your gift card/ incentive will be added to your financial aid package.

**I am a Grossmont-Cuyamaca Community College District Student (Not Related to Financial Aid)**

Select this box if you are a GCCCD student and this is for completing surveys, attending events or participating in focus groups, for example. The Value of your gift card/ certificate/ goods may be considered taxable income by taxing authorities (Internal Revenue Services, California Franchise Tax Board, etc) and may result in a tax liability. You acknowledge that it is your responsibility to report the value of your gift card/ incentive to the appropriate taxing authorities, and that you are responsible for the payment of any tax liability that results from such reporting. If you receive \$600 or more in gift cards/ incentives from GCCCD during any calendar year, we are required to report this information to the IRS on form 1099.

**I am a Nonresident/ Noncitizen**

If you are not a nonresident/ noncitizen, the IRS requires that 30% of the value of the gift card/ incentive be withheld. However, due to the impracticality of withholding on a gift card/ certificate, the Department distributing the gift card/ certificate is responsible for the payment of the applicable tax.

*By signing this document, I acknowledge that I understand and agree to these terms and conditions.*

Signature: \_\_\_\_\_ Date: \_\_\_\_\_