

RG:14

Gift Cards in Sponsored Programs and Research Policy

I. PURPOSE

The Office of Research, Grants, and Sponsored Programs (ORGSP), under the auspices of the Executive Vice President for Academic Affairs, recognizes that gift cards may serve as an effective incentive for participation in research and sponsored programs. This policy ensures that the purchase, distribution, and tracking of gift cards is managed in a consistent, compliant, and fiscally responsible manner.

II. POLICY STATEMENT

Gift cards are considered equivalent to cash and therefore subject to strict fiscal controls. At Lincoln Memorial University (LMU):

1. Gift cards may only be used as participant incentives in research and sponsored programs.
2. Gift certificates are not permitted under this policy.
3. The value of any individual gift card shall not exceed \$25.00.
4. The purpose and purchase of gift cards must be pre-approved by the Chief Financial Officer (CFO) or his/her designee.
5. All gift card procurement must be conducted through Tremendous, in coordination with the ORGSP Post-Award Manager: <https://www.tremendous.com>.

III. DEFINITIONS

Gift Card: A prepaid stored-value card that is issued for use as an incentive or reward and is considered equivalent to cash.

Participant Incentive: A non-compensatory payment offered to encourage participation in research or sponsored programs.

IV. AUDIENCE

This policy applies to all LMU faculty, staff, and students who are engaged in research or sponsored programs involving participant incentives.

V. COMPLIANCE

Because gift cards are the equivalent of cash, they have potential tax implications and pose a heightened risk of misuse. Noncompliance with this policy may result in:

- Denial of reimbursement for unapproved purchases.
- Revocation of gift card purchasing privileges.
- Disciplinary action as determined by LMU administration.

VI. ROLES AND RESPONSIBILITIES

- Principal Investigator/Project Director (PI/PD): Responsible for requesting approval, ensuring purchases comply with this policy, and maintaining records of distribution.
- ORGSP Post-Award Manager: Coordinates procurement through Tremendous, monitors expenditures, and maintains compliance oversight.
- Chief Financial Officer/Designee: Reviews and approves all gift card requests before purchase.

VII. APPLICABLE STATUTES, REGULATIONS, AND RELATED POLICIES

- IRS Guidelines on Gift Cards as Taxable Income
- LMU Procurement and Fiscal Policies

VIII. PROCEDURE

- PI/PD submits a gift card request to the ORGSP Post-Award Manager utilizing the Gift Card Request Form, detailing purpose, number of cards, and denomination (not exceeding \$25).
- Request is reviewed by the CFO/designee for approval.
- Upon approval, ORGSP Post-Award Manager arranges procurement of gift cards through Tremendous.
- Post-Award Manager collects records of distribution, including participant acknowledgment when applicable, for audit and compliance purposes.

IX. CONTACT INFORMATION

For questions regarding this policy, please contact the Office of Research, Grants, and Sponsored Programs.

X. DOCUMENT HISTORY

Effective: 1/16/2026

- Gift Card Request Form