

SECTION: 5.0 Students

SUBJECT: Student Gifts and Gift Cards

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**Background:** Title IV Regulations require that any monetary gifts provided to students by Lewis-Clark State College or its affiliates must be reported to the Financial Aid Office.

**Point of Contact:** Financial Aid, Human Resource Services, Controller's Office

**Other LCSC offices directly involved with implementation of this policy, or significantly affected by the policy:** Financial Aid, Controller's Office, Human Resource Services, and Division Offices.

**Date of approval by LCSC authority:** September 24, 2018

**Date of State Board Approval:** N/A

**Date of Most Recent Review:** N/A

**Summary of Major Changes incorporated in this revision to the policy:** This policy is new.

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**PURPOSE:** To account for gifts, gift cards, and other assistance given to, or won by, students.

**POLICY:**

Any monetary gifts, including gift cards, provided to domestic students by Lewis-Clark State College or its affiliates (e.g., the LCSC Foundation or Alumni Association) may be considered financial assistance and, under Title IV regulations, must be reported to the Financial Aid Office. Non-monetary gifts or prizes may be subject to taxation.

**PROCEDURES:**

1. Domestic Students
  - A. Qualifying gifts given during the academic year may impact student financial aid and, in some cases, could result in students getting reduced loan eligibility. College departments or affiliates are encouraged to check with the Financial Aid Office ahead of time to determine whether or not a specific gift needs to be reported and to assess the potential impact on the student's financial aid award.
  - B. All non-monetary gifts purchased with college funds provided to, or won by, students must be reported to the Financial Aid Office within two (2) working days of presenting the gift. Financial Aid will notify Student Accounts and Human Resource Services for necessary taxes.

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C. De minimis gifts are excluded under Internal Revenue Code section 132(a)(4).

An essential element of a de minimis gift is that it is occasional or unusual in frequency. It also must not be a form of disguised compensation.

In addition, if a gift is too large to be considered de minimis, the entire value of the gift is taxable to the student. Items with a value exceeding \$100 could not be considered de minimis, even under unusual circumstances.

2. International Students

A. Any gift, regardless of value, provided to international students must be reported to Student Accounts to assess the appropriate tax, as referenced in Policy 4.128. T-shirts and college apparel are excluded from this policy.

1) Any funds considered wages (irregular help and JOB work-study funds) that are non-need based are excluded.

**Reporting Matrix**

| Award  | Reportable/<br>Taxable | Description  |
|--|------------------------|--|
| Cash   | Yes                    | <ul style="list-style-type: none"> <li>• Any Amount</li> <li>• Domestic Students (notify Financial Aid)</li> <li>• International Students (notify Student Accounts)</li> </ul> |
| Cash Equivalent (including gift cards & gift certificates) | Yes                    | <ul style="list-style-type: none"> <li>• Any Amount</li> <li>• Domestic Students (notify Financial Aid)</li> <li>• International Students (notify Student Accounts)</li> </ul> |
| De Minimis (Domestic student)                              | No                     | <ul style="list-style-type: none"> <li>• Gifts or tangible personal property less than \$100</li> </ul>  |
| De Minimis (International Student)                         | Yes                    | <ul style="list-style-type: none"> <li>• International Students (notify Student Accounts)</li> </ul>   |
| Student Achievement Award/Recognition                      | Yes                    | <ul style="list-style-type: none"> <li>• All awards regardless of type are taxable (notify Financial Aid)</li> </ul>   |