GIFT CARD POLICY

Established for the \_\_\_\_\_\_\_\_\_**Tribe**\_\_\_\_\_\_\_\_by Board/Council action on \_\_\_**Date**\_\_\_. The effective date of this Statement is \_\_\_\_\_\_**Date**\_\_\_\_\_\_.

Gift cards are instruments that can be used as cash when the use of cash or checks is not feasible. Because they can be used as cash, it is important to establish appropriate controls over the acquisition, storage, use, and reconciliation of gift cards.

**Definitions:**

Custodian **–** Designated employee who maintains gift card inventory

Gift card – A stored value instrument used to assist participants when the use of cash or checks are not feasible.

Participant – A person who has met the requirements for the program and has been deemed eligible for participation in the program.

**Use of Gift Cards:**

Gift cards may only be used when use of cash or checks is not feasible under the circumstances.

Reasonable circumstances to use a gift card include:

* After hours emergency assistance including:
  + - Gas
    - Food
    - Emergency Supplies for the participant
* Other circumstances considered appropriate by staff and management. All circumstances supporting gift card use must be detailed and include the reason for use of gift cards instead of other available payment methods and cost incurred.

Gift card use supporting documentation must be reviewed by staff and signed by both staff and management.

Gift cards purchases may not include:

* Costs not allowed under 2 CFR 200 Subpart E may not be incurred with a gift card.
* Costs not eligible under the grant award such as alcohol and tobacco may not be purchased with gift cards.

Gift cards will not be issued to tribal staff.

**Purchase of gift cards:**

Gift cards will be purchased through the normal procurement process to ensure adequate segregation of duties. Gift cards will have a receiving report that includes the number of cards received as part of the requisition, the dollar amount of cards received, serial numbers, and the signature of the person receiving. Upon transfer to the requesting department, cards will be recounted and serial numbers verified prior to acceptance. The custodian must sign for receipt and a copy of the information will be kept by Finance.

Gift cards purchased using grant funds must include documentation of allowability prior to purchase. This would include a copy of the approved budget or other written documentation from the funding agency.

Purchase of gift cards should be limited to an amount not to exceed $5000 on hand at a time. An individual gift card will not have a value of more than $100.

For the purposes of the NCAI Fund Victim Services Micro-grant Program, the Tribe may not have more than $5,000 in gift card inventory at any time during the grant period. Appropriate documentation must be submitted to NCAI Fund to support the disbursement of previously reimbursed gift cards, prior to purchase and reimbursement of additional gift cards above the $5,000 limit.

As part of the purchase process, documentation will be required to support expected short- term use of gift cards and the denominations required.

**Custody of Gift Cards**

A single individual must be the designated custodian of the gift cards on hand. The custodian is responsible for the purchase, security, dispensing, tracking and replenishing procedures are followed.

The cash value of any cards remaining at the end of the program will be returned to the funding agency.

When gift cards are received, they will be recorded by the Custodian and Finance Department and will include the serial numbers and denominations of the gift cards purchased. Finance will keep a log showing the numbers used and the inventory on hand.

**Security**

All gift cards should be in a locked drawer or safe accessible by the custodian only.

**Receipts**

All gift cards will be recorded as received and issued. Issuing information shall be treated as Protected Personally Identifiable Information and remain confidential. Receipts will be kept in a locked file and used only as part of the Gift Card Audit Log. Prenumbered receipts will be used to monitor gift cards issued.

**Audit Log**

The Custodian will keep a log of gift cards purchased and issued. The audit will be done at least monthly to verify the receipt and issuance of gift cards, total amounts issued, and total amount on hand. In addition, surprise audits will be performed by finance as needed. Custodian will be held responsible for any discrepancies or lost cards discovered in the audit. Failure to comply with the requirements will result in disciplinary action, up to and including termination.

When gift cards are received, they will be recorded by the Custodian and Finance Department and will include the serial numbers and denominations of the gift cards purchased. Finance will keep a log showing the numbers used and the inventory on hand.

The Finance record will be used to verify the audit of the cards on hand.

Information kept on file will include:

Recipient name or ID number

Date

Purpose of payment

Serial number of gift card

Amount issued

Signature or initials of the participant

Signature of the issuer

Supporting documentation to show the recipient is an eligible participant and gift card was issued for an allowable purpose

**Segregation of Duties Summary**

Initiation:

Procurement of gift cards will be performed by someone other than the Custodian.

The Tribe’s Procurement process will be followed.

Cards will be received by someone other than the Custodian and paperwork transferring the gift cards to the Custodian will be kept by Finance and the Custodian.

Authorization:

Authorization for the purchase of gift cards will be done by the Program Manager or other person who does not have custody of the gift cards.

Program participants will be authorized to receive a gift card by someone other than the Custodian.

Issuance of gift cards to participants will be done by someone other than the custodian or the person authorizing the participant eligibility.

Recording:

Gift card record of issuance (Gift Card Log and Receipt Log) will be kept by the Custodian

A copy of the record of issuance will be kept by Finance

Reconciliation:

Finance will reconcile gift cards to the inventory on hand by using the record of issuance.