

FIRST 5 COMMISSION OF SAN DIEGO
CONTRACTOR GIFT CARD PURCHASES GUIDELINES
FY 2014-15

Introduction

The following guidelines have been developed to assist First 5 Commission of San Diego (Commission) contractors who request use of gift cards as incentives to support program project outcomes. Gift cards are the same as cash and must be handled accordingly.

Procedures

1. Approval

All gift card purchases shall be pre-approved in writing by Commission Contract Monitor(s) upon receipt of written justification provided by the contractor. Gift cards should directly benefit the client and program objectives.

If the request to purchase gift cards is approved, the contractor shall enter the dollar amount on the approved Program Budget under the "Incentives" line item. On the corresponding budget narrative, the contractor shall provide a detailed description on the use of the gift cards.

2. Oversight/Monitoring

Contractors shall have the following internal controls and procedures in place to mitigate misappropriation of gift cards.

- a. Gift cards that have not been disbursed shall be maintained in a secured and locked environment, only accessible to the designated contractor employees.
- b. Gift card purchases shall be supported by receipts and follow the contractors internal purchase policies. Receipts and policies shall be made available upon request.
- c. Disbursement of gift cards shall be documented on tracking logs which at a minimum must indicate:
 - (1) Name of the recipient
 - (2) Amount of the gift card
 - (3) Date disbursed
 - (4) Contractor employee signature authorizing the disbursement.Gift card tracking logs shall be made available to the Commission upon request.
- d. In the event of misappropriation, the contractor shall contact his/her Commission Contract Monitor within one work day of the occurrence (Contract Agreement Section 16.18: Critical Incidents).

3. Reimbursement

Reimbursement of gift card purchases will only be for the amount of gift cards used / disbursed during the contract year.

NOTE: Verification of internal controls regarding the use of gift cards shall be included in site visits conducted by Commission staff.

Any program specific questions shall be addressed to the appropriate Commission Contract Monitor.