

		Section: IC
		Topic: Gift Cards
		March 28, 2022
	ADMINISTRATIVE PRACTICES MANUAL	

Subject: Use of Gift Cards by County Departments

PURPOSE

To define the authorized uses of gift cards and the process for authorization, documentation, and physical security over gift cards to ensure proper controls are in place for the appropriate usage and safe keeping of gift cards distributed by county departments.

I. DEFINITIONS

1. Gift Cards = Gift Cards and gift certificates redeemable for a stated dollar value at a retailer purchased with tax levy or grant funding.
2. Client facing worker = Designated Dane County employee requesting the gift card for a client through the completion of a gift card request form.
3. Gift card tracking sheet = The form used to request gift cards from coordinator/fiscal services and track distribution to recipient. Form is returned to coordinator/fiscal services after card distribution.
4. Gift Card Request Form = form used by departments that do not maintain a gift card inventory to request cards from department coordinator and report back on distribution.
5. Department Coordinators = designated staff within a department authorized to purchase gift cards for appropriate use and is responsible for documenting distribution. For Human Services this role will be FMS staff.
6. Division or Program Coordinators = designated staff within a department authorized to request gift cards from department coordinator. Liaison between client facing worker and department coordinator for departments maintaining an authorized gift card inventory.
7. Fiscal Services = the fiscal services office of the HS department who distribute the Gift card to the division coordinator and collects/maintains the Gift Card Tracking Sheet.
8. Gift Card Log = tracking document for all gift cards and inventory maintained by department coordinator with a department that maintains an inventory of cards to support monthly journal entry
9. Gift Card Request Form = form used by client facing staff to request a gift card purchase and track approval by department head for departments that do not maintain an inventory as approved by resolution.

II. POLICY

1. Individual gift cards must have a value of \$100 or less, if not already restricted by purpose. Purchasing gift cards in excess of \$100.00 must be approved by the

- controller's office. Please email dccontrollersoffice@countyofdane.com for approval.
2. Dane County may use gift cards to meet the requirements of reasonable effort in providing services to residents to assist them in their care plan, to help them meet court ordered mandates, or to reduce barriers in achieving continuance of family unity instead of out of home placement.
 3. Gift cards may be purchased as a thank you for a volunteer as long as the volunteer is not a County employee, student intern, or a contractor. Gift cards are limited to \$25.00 each per volunteer per year.
 4. Gift cards may be purchased for clients for assistances through the Human Services, District Attorney Victim Witness program or Veteran Services departments.
 5. Gift cards may be purchased for clients to provide behavioral incentives through Human Services
 6. Gift cards may be purchased for Out of Home Placement providers to support retention and recruitment. This is limited to \$599 per year per provider as this is 1099 reportable at the \$600.00 threshold.
 7. Gift cards may be purchased as incentives for survey responses and listening session participation up to a maximum of \$10 per occurrence for surveys and up to \$50 per occurrence for listening sessions.
 - A. Participants providing recurring consultation shall be compensated via MUNIS check as a service provider.
 - B. Gift cards for surveys or listening session is limited to \$599 per year per client as this is 1099 reportable at the \$600.00 threshold.
 - C. The gift card request form or gift card tracking sheet must specify the purpose of the incentive and be approved by the department head.
 - D. Incentives cannot be given to county employee.
 8. Gift cards may be used for community outreach for the Sheriff's cultural diversity fund as authorized by 2017 RES-373. Gift cards are limited to \$125.00 per person per occurrence.
 9. When gift cards may **NOT** be used:
 - A. Gift cards may **NOT** be used for Dane County specifically identified active employees, student interns, or consultants employed by Dane County. For example, a gift card for an employee for achieving specific employment milestones.
 - B. Gift cards may **NOT** be used as gifts for departing employees, student interns, or contractors.
 - C. Gift cards may **NOT** be used as holiday or other gifts for employees, student interns, or contractors.
 - D. Gift cards may **NOT** be used to pay suppliers and consultants for goods and/or services received for department purposes. Payments to suppliers, consultants and vendors are made via a procurement card or MUNIS check payment as appropriate.
 10. Gift cards must be purchased using an eligible funding source, such as budgeted tax levy or as an allowable expense under a grant.
 11. Gift cards must be coded to the appropriate expense account when purchased or when pulled from inventory.
 12. Departments that use gift cards routinely may maintain an inventory of gift cards to have on hand for distribution. The allowable balance they can have on hand must be authorized via resolution under the "Petty Cash Systems" policy of the Administrative Practices Manual.

13. The use of the gift card may not be used to purchase prohibited items including, but not limited to, alcohol, firearms, tobacco products or other non-essential purchases whenever possible. Gift cards should be purchased to restrict these items when possible.
14. Visa gift cards (cash cards) may not be purchased.
15. Gift cards that charge a fee for activation may not be purchased.
16. Employees that purchase gift cards not authorized by this policy may be liable for the total dollar amount of such unauthorized purchases and will be subject to appropriate disciplinary action.

III. PROCEDURE FOR ONE-TIME PURCHASES (FOR DEPARTMENTS THAT ARE NOT AUTHORIZED TO MAINTAIN A GIFT CARD INVENTORY OR FOR ONE TIME PURCHASES USING A PCARD CARD FOR DEPARTMENTS WITH AUTHORIZED GIFT CARD INVENTORY)

- A. Each Department Head will designate individuals, known as division or program coordinators that will be eligible to request gift cards from the department coordinators and will also designate department coordinators that will be authorized to purchase gift cards by pcard purchase or MUNIS check.
- B. Department coordinators are authorized by their department head to purchase gift cards with their P-card or through MUNIS. No other staff will be eligible to purchase gift cards with p-cards.
- C. Gift card purchases will need to be coordinated between the requesting division or program coordinator and the department coordinator.
- D. Department Coordinator will notify the Controller's office if any gift cards are purchased that are no longer needed to determine best way to account for unused card.
- E. Purchasing a Gift Card
 - 1. Division/program coordinators will fill out Gift Card Request Form indicating the event/purpose for the gift cards and vendor, card information. Request from client facing worker would be made via the division/program coordinators.
 - 2. Division/program coordinators will submit Gift Card Request Form to Department Head for approval for incentives or to department coordinator for all other purposes.
 - 3. Department coordinator will purchase gift cards with a pcard or submit approved request to accounts payable staff for entry into MUNIS for check payment.
 - 4. Department Coordinator will return copy of Gift Card Request Form and cards to division/program coordinator.
 - 5. Division/program coordinator will sign for receipt of cards and attest that the cards were distributed.
 - 6. Division/program coordinator will return signed form to Department coordinator.
 - 7. Department coordinator will include Gift Card Request Form with P-card record to indicate recipient information. All gift cards purchased with P-card must be distributed by the time the P-card record form is due for the statement period.
 - 8. Gift cards purchased by MUNIS check will include Gift Card Request Form in invoice batch with all signatures present but final signature attesting to distribution. Once cards are purchased and distributed, the completed form, along with the list of recipients will be returned to the controller's office for county records.
 - 9. EXCEPTION - Gift cards purchased by department coordinators directly for a client related purpose do not need to submit a gift card request form when gift cards are purchased for the purpose of client assistance, behavioral incentives or OHC retention and recruitment. Receipt for gift cards purchased must include client initials and purpose.

IV. PROCEDURES FOR MAINTAINING GIFT CARD INVENTORY AND DISTRIBUTION OF GIFT CARDS TO CLIENT FACING WORKER

- A. Department will request authorization to maintain a gift card inventory via Resolution. Resolution will include an inventory maximum value and per card limit
- B. Department will designate staff that are responsible for the following:
 - i. maintaining gift cards securely,
 - ii. distributing cards as requested by division coordinator,
 - iii. performing monthly inventories,
 - iv. tracking reporting back from division on distribution and unused cards,
 - v. requesting replenishments and
 - vi. preparing monthly journal entry to record expenditure for distributed cards.
- C. Client Facing Worker will request gift cards via the gift card tracking sheet that includes, at a minimum, the merchant, amount per card and purpose.
- D. Division coordinators will approve request and forward to Department Coordinator/Fiscal Services for fulfillment.
- E. Department Coordinator/Fiscal Service staff will review request to verify approval by division coordinator, that gift card tracking sheet is complete.
- F. Department Coordinator/Fiscal Service staff will fill request and return gift cards and form to division coordinator (or person division coordinator designates as pick up person on request form) in person.
- G. Fiscal services will enter gift card request filled in log including date to be distributed to division coordinator (or designated pick up person).
- H. Division coordinators (or person division coordinator designates as pick up person on request form) will pick up gift cards, in person, from the department coordinator/fiscal services. Division coordinators (or person division coordinator designates as pick up person on request form) will sign the gift card tracking sheet documenting receipt of cards.
- I. Division coordinator (or person division coordinator designates as pick up person on request form) will distribute cards to client facing workers.
- J. Client facing worker will distribute gift cards to clients and log name on gift card tracking sheet.
- K. Client facing worker will provide names of card, recipients if not known ahead of time, to be added to the gift card tracking sheet. The information will include distributed cards logged and names of clients provided to, and any unused gift cards returned to the division coordinator within 90 days.
- L. Division Coordinator and/or fiscal services will review gift card tracking sheet for completeness, fill in program/expense account and return sheet and unused cards to department coordinator/ fiscal services within 90 days.
- M. Department Coordinator/Fiscal services will note in inventory log the program/expense account the used gift cards should be charged to.
- N. Department Coordinator/Fiscal services will verify the value of unused cards and add the cards back to inventory and enter value onto inventory log.
- O. Fiscal services will verify that all cards requested on gift card tracking sheet are accounted for by information provided on gift card tracking sheet or unused gift cards returned.

- P. Fiscal services will account for gift cards used by debiting expense account and crediting gift card inventory. Journal entry will be submitted to controller's office monthly.
 - Q. When distributing gift cards, a gift card tracking sheet must be submitted within 90 days to division coordinator
 - i. If a Confirmation of Receipt is not received, the client facing worker will receive a verbal warning the first time.
 - ii. After a second occurrence of not obtaining a Confirmation of Receipt, the client facing worker will receive a written warning and will lose the ability to distribute gift cards for a period of three months.
 - iii. After a third occurrence of not obtaining a Confirmation of Receipt, the client facing worker will no longer be allowed to distribute gift cards.
 - R. Gift cards may not be sent inter-d between county staff. Mailing is allowed if directly to the client. For client facing workers working remotely, division coordinators may mail gift cards to client facing worker through USPS with value less than \$500 in total. Distributions for more than \$500 must be face to face hand off.
 - S. Gift cards must be kept under lock and key by division coordinator and client facing worker while waiting distribution.
2. Inventory of Gift Cards
- A. Divisions, at the discretion of the Department Head, will be allowed to hold a portion of the department's authorized inventory amount up to \$5,000.
 - i. The division level inventory will be subject to audit requirements.
 - ii. Division coordinator will perform a physical inventory of the cards on hand at the end of each quarter and report inventory balance to department coordinator.
 - iii. Department coordinator will perform a review comparing the physical inventory count from the division to amount of undistributed cards per the shared tracking spreadsheet to determine inventory discrepancies.
 - iv. If discrepancies are found, the timing of the audit will change to every 60 days until no discrepancies are found.
 - v. If discrepancies continue, the division will no longer be allowed to hold a portion of the department's authorized inventory.
 - B. A division not authorized to hold an inventory is required to return unused gift cards every 90 days to the Department Coordinator.
 - C. On a monthly basis, Department Coordinator/Fiscal Services will conduct the following:
 - i. Physical inventory count of cards on hand. This will be performed by two individuals simultaneously. The report will provide merchant and quantity of cards by value. The report will be confirmed by two individuals and a copy forwarded to controller's office with the monthly journal entry
 - ii. Reconciliation of current card inventory log to cards on hand for the physical inventory count.
 - iii. These two functions will be handled by an individual separate from the purchaser or custodian of cards on hand.

- iv. The Controller's Office may request to attend physical count of gift cards at their discretion.
- D. At no time can the value of gift cards on hand exceed the amount authorized by resolution.

END OF POLICY



GIFT CARD REQUEST FORM

Revised 02/2022

Purpose: This form must be used to request gift cards for one time purchase or for departments that do not maintain an inventory of cards. Please review gift card policy in the APM to ensure the gift cards requested are being used for an approved purpose.

Date of Request:	
Requestor:	
*Event/Purpose:	

*Event/Purpose – provide details of the event/purpose that the gift cards will be used for.

Vendor	Qty.	Card Value	Total Value	Expense line

- Individual card values cannot exceed \$10.00 for survey response incentives
- Thank You card values cannot exceed \$25.00
- Please see APM for additional information on card limits for purposes other than incentives and thank you

Request Approval Signatures	
Requestor:	
Department Head (required for incentives):	
Department Coordinator:	

I attest that the cards above were received and distributed for the event/purposes indicated. A list of recipients is attached to this form.

Signatures	
Client Facing Worker /Distribution coordinator	

A copy of this form and the list of recipients must be included with pcard record for the statement period the charges post. For gift cards purchased via MUNIS check, include the form with the signature for the person distributing the cards blank. Once cards are distributed, send a copy of the completed form to the controller's office for county records.

GIFT CARD REQUEST AND PURCHASE DEPARTMENT HEAD DESIGNEE LIST

I HEREBY AUTHORIZE THE FOLLOWING EMPLOYEE(S) TO REQUEST THE PURCHASE OF GIFT CARDS AS A DIVISION/PROGRAM COORDINATOR OR PURCHASE GIFT CARDS AS A DEPARTMENT COORDINATOR.

ROLE	AUTHORITY
DIVISION OR PROGRAM COORDINATOR	AUTHORIZED TO REQUEST THE PURCHASE OF GIFT CARDS FOR AUTHORIZED PURCHASES VIA THE DEPARTMENT COORDINATOR. IS NOT AUTHORIZED TO PURCHASE GIFT CARDS DIRECTLY VIA MUNIS CHECK OR PCARD.
DEPARTMENT COORDINATOR	AUTHORIZED TO REQUEST AND PURCHASE GIFT CARDS FOR AUTHORIZED PURCHASES VIA MUNIS CHECK OR PCARD

DEPARTMENT:	
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<u>DEPARTMENT HEAD PRINTED NAME</u>	<u>SIGNATURE</u>

DESIGNEE'S TYPED OR PRINTED NAME	DESIGNEE'S ROLE

Return completed form to the Controller's Office - CCB Room 425