



## **Finance Department Guidelines for Gift Card Purchase and Documentation**

### **I. Procedure for Documenting Gift Card Purchase and Use**

If permission to purchase gift cards is granted, per the policy and administrative directive excerpted in Section II of this memo and (unless specifically exempted in the policy) the explicit written permission of the Chief Financial Officer or Deputy Superintendent of Business and Operations, you must follow the guidelines below with regard to documentation:

1. The CFO/Deputy Superintendent of Bus & Ops approval email must be attached to the gift card purchase transaction, via your PCard transaction reconciliation in Works, your employee expense reimbursement request, or your PeopleSoft Purchase Order.
2. Gift cards have the same risks and vulnerabilities as cash, and as such must be secured and handled using existing PPS cash handling policies and procedures.
3. You must track gift card distribution using the [Gift Card Purchase Tracking Form](#) (please make a copy and save in your own Google Drive) with the following information:
  - What the gift card is for (e.g., iTunes, Starbucks)
  - The dollar amount of the gift card
  - The gift card number
  - To whom the gift card was given
    - For students, provide the student ID
    - For community members, name/role is sufficient
  - Purpose of the gift card and how/why the recipient was chosen (e.g., reward for perfect attendance, random drawing as incentive for community engagement participation)
  - Date the gift card was provided to the recipient and name of the PPS staff who provided it
  - If the gift card was provided at an event (e.g., a community engagement event), keep with the spreadsheet a flyer or Google Meet invite for the event.
  - After the authorized gift cards are distributed, the tracking form shall be reviewed and approved by the school or department administrator prior to requesting approval for additional gift cards.
4. All gift card documentation must be kept in an accessible location - preferably saved in a clearly labeled Google Drive - for at least three years so it can be easily located and provided to internal or external auditors when requested.



Please note that gift cards cannot be provided for stores or businesses that sell alcohol, tobacco, or firearms unless they are able to provide a restricted gift card that excludes these purchases. WinCo, Walmart, and Safeway/Albertsons offer restricted gift cards that meet the District's requirements. **Please reach out to the Confidential Executive Assistant to the Chief Financial Officer for specific ordering instructions.**

Further, as noted in the Administrative Directive below, gift cards provided as student or volunteer incentives should be low cost or de minimis; in no case should the cost of an incentive exceed \$50. (This \$50 limit does not apply to gift cards provided to students or families to meet immediate and urgent needs for groceries, winter clothing, etc.)

## **II. Applicable Policy and Administrative Directive:**

### **8.30.010-P (District Funds for Purchase of Meals, Refreshments, and Gifts)**

Modest gift items may be purchased and distributed as incentives for students or community members to participate in district-sponsored activities under certain circumstances. Only under limited circumstances should gift cards for students and community members be purchased and distributed. Details on the authorization process and accountability procedures are provided in Administrative Directive. Gift cards may never be purchased for employees with District funds.

### **8.30.011-AD (Use of Funds for Meals, Refreshments, and Student Incentives)**

#### Student Incentives

Incentives are allowable as long as the school has a clearly stated purpose for doing so and the incentives are part of a larger system of behavioral supports intended to lead to improved academic achievement, attendance and school engagement, reduced dropout rates, etc. The following guidelines are to be observed:

1. The incentive should be one of several tools used to achieve a desired outcome in a program of behavioral support.
2. The incentive should be low cost and related to the desired behavioral patterns.
3. Schools should keep data on the effectiveness of the incentive program.
4. Staff are also prohibited from using cash or gift cards as incentives for students without the prior approval of the Chief Financial Officer.

#### Gift Cards

According to the IRS, gift cards are equivalent to cash and accordingly considered wages that are subject to taxation. Therefore, gift cards may never be purchased for employees but may be purchased in the following circumstances:

- To meet the immediate needs of homeless students only;
- If a grant agreement explicitly provides for gift cards; or
- With pre-approval of the Chief Financial Officer.