 **NIQCA DRAFT GIFT CARD POLICY GUIDANCE**

**Purpose of policy is to mitigate the risk of fraud and organizational mismanagement associated with the acquisition and issuance of gift cards and assure that the issuance of gift cards fully complies with Federal/State regulatory requirements.**

**GIFT CARDS.**

* **Gift Cards must always be *treated as cash and stored in a secure, controlled location.***
* ***Purchases of Gift Cards should always follow approved agency “Procurement” and “Segregation of Duties” control policies* which assure that the person(s) responsible for acquisition and management of gift card(s) is independent of the person(s) responsible for issuing the gift card(s).**
* **The *staff member requesting the gift card(s) must verify the order, sign and date receipt or packing slip from the order.* Receipts should be retained and reconciled to the gift cards purchased by an individual other than the purchaser.**
* **Following initial reconciliation, *a Gift Card log should be created and maintained* listing the date purchased, card vendor, identification number and dollar value of each gift card, date issued, recipient identification and eligibility documentation, authorization documentation and value of gift cards remaining in agency custody.**
* **At distribution, the *recipient should confirm income eligibility and sign/date a receipt for the card* which should then be forwarded to the Finance office for recording and filing.**
* **If Gift Cards are distributed to a *sub-recipient agency the card(s) issued should be identified in the Gift Log and the Finance Office will confirm in writing, supplemented by receipt of periodic reports and an optional audit visit that the sub-recipient agency is operating in full compliance with the contracting agency’s gift card accounting risk management controls and accounting policies.***
* **Regular and proper *accounting in the General Ledger should maintained throughout the gift card purchase and issuance processes.***
* **Cards retained at the end of the fiscal *year should be recorded as an agency asset.***
* **Except in cases of emergencies (e.g., storm damage, fire damage, etc.) the *issuance of gift cards to clients should address needs identified in their current service plans.* Risk mitigation efforts to restrict cards use to prevent inappropriate or illegal purchases should be adopted as reasonable and appropriate.**