

**CONTRA COSTA COUNTY**  
**Office of the County Administrator**  
**ADMINISTRATIVE BULLETIN**

**Number:** 615

**Date:** <<ENTER>>, 2025

**Section:** Purchasing

**SUBJECT:** Issuance of Incentives, such as Gift Cards and Vouchers, for Program Participation

**I. APPLICABILITY.** This bulletin applies to all County departments and special districts using incentives like gift cards and vouchers to promote County programs and services, directly or through a contractor.

**II. AUTHORITY.** In accordance with the provisions of County Ordinance Code Section 24-4.008, the County Administrator has the authority and responsibility to establish and enforce purchasing policies in County departments and agencies, including the purchasing of incentives for certain County programs and services.

Article XVI, Section 6 of the California Constitution prohibits the County from spending state or local, public funds to purchase gifts for private persons unless doing so serves a legitimate, public purpose within a public agency's mission.

**III. PURPOSE.** This bulletin outlines the policies and procedures for County Departments to follow when issuing gift cards or similar incentives to promote participation in County programs and services.

**IV. DEFINITIONS.**

Following are definitions for terms used in this bulletin:

1. Gift Card: A prepaid, stored-value card or electronic record that can be used as an alternative to cash for purchasing goods or public transportation from a specific retailer or group of affiliated merchants. The recipient is entitled to items or public transportation of a specific value from the issuer, and the card's value is decreased with each use.
2. Agenda Item Request: A request for the Board of Supervisors to consider a staff recommendation in a staff report along with any related resolution or ordinance. The County Administrator's Office reviews and presents the report to the Board with a recommendation. See County Code 24-4.009(b).
3. Purchase Order: A formal document issued by the County Purchasing Agent to buy materials, supplies, or equipment. It details the goods, quantity, price,

payment terms, shipment date, and other conditions. When accepted by the seller, it becomes a binding contract for both parties.

4. Warrant Request: An allowable method to purchase goods and one-time services under \$5,000, and certain items over \$5,000. County Ordinance Code section 1108-2.222 and Resolution No. 2023/260 allow departments to buy, with limitations, directly from vendors without using the Purchasing Agent. Administrative Bulletin No. 600 lists eligible purchases.

**V. AUTHORIZATION FOR PURCHASE OF GIFT CARDS.** The Board of Supervisors' authorization must be obtained prior to purchasing Gift Cards, whether directly or through a contractor, for any County program or service. This can be included in the Board's approval when accepting funding from an outside entity, such as a grant, if the Board Order also authorizes the purchase of incentives as outlined below. If not, separate Board approval must be obtained by the Department Head or designee.

Prior to seeking authorization from the Board of Supervisors, Department Heads must submit an Agenda Item Request to the County Administrator for review. The Request must:

1. Explain how issuance of Gift Cards will advance or promote a County program or service;
2. Indicate whether Gift Cards will be purchased and issued by the County or by a County contractor;
3. State the maximum budget and funding source for purchasing gift cards, including any local match funds for outside grants; and
4. Identify the number, dollar amount, and type of incentives to be purchased by the County or its contractor.

The County Administrator's Office will review and forward the Agenda Item Request to the Board of Supervisors with a recommendation.

**VI. PROCEDURES WHEN COUNTY DIRECTLY PURCHASES AND DISTRIBUTES GIFT CARDS.**

The Purchasing Agent may only purchase Gift Cards with an order or resolution from the Board of Supervisors. Purchase of Gift Cards cannot be reimbursed after the fact, including, but not limited to, reimbursement via an Employee Demand, Procurement Card, or from Petty Cash. A certified board order or grant document that specifies the number, amount and type of incentive must be attached to the accounts payable voucher in order for the expenditure to be paid. No expenditure will be paid that exceeds the limit specified on the board order or grant document.

1. Gift Card purchases are restricted to those from department stores and other retail outlets (e.g., Starbucks, Jamba Juice, etc.). Gift Cards may only be redeemable for tangible personal property or public transportation services. Gift Cards may not be redeemable for cash or to reduce the balance due on the recipient's account with the merchant.
2. Visa, MasterCard, or American Express Gift Cards purchases are prohibited. Such gift cards closely resemble cash and could be construed as "gifts of public funds."
3. Gift card distribution shall be limited to one per client per year for each programmatic goal at the discretion of the County program administrator.
4. The purchase of Gift Cards for services other than public transportation is prohibited.
5. The value of a Gift Card must be commensurate with the expected benefit to the County. County staff responsible for issuing gift cards must determine that the client has achieved or taken substantive steps toward program goals or otherwise verify participation in County programs prior to issuing a Gift Card to the client.
6. Gift Cards cannot be distributed to County employees or members of County Advisory Boards or Commissions.
7. The Department must include the Board of Supervisors' authorizing order and approved purchase order listing the remaining budget with its request to the Auditor for payment of an invoice. The Auditor shall not make payments in excess of the remaining budget.
8. Departments must put written procedures that detail and require secure handling and distribution of Gift Cards in their possession. Procedures shall include, but not be limited to, the following:
  - a. Gift cards may be purchased by purchase order or by warrant request.
  - b. Making payments against a purchase order assists the Department in tracking expenditures and ensuring compliance with authorized limits. If payment is made via warrant requests, an alternative tracking method will be necessary, such as including the grant or board resolution number in the description field.
  - c. Departments must establish and maintain written procedures detailing how Gift Cards are recorded, securely stored and distributed to prevent misuse or loss. Each Department must designate a custodian who shall be responsible for securing and tracking inventory of Gift Cards. All Gift Cards must be stored in a locked and secure location with access limited to authorized personnel.
  - d. The Department shall keep a Gift Card Log (sample attached) that

contains the following information:

- Date received into inventory
- Serial number of each Gift Card
- Monetary value
- Description of Gift Card

Once a Gift Card is issued to a client, the log should be updated to include:

- Date issued
- Client name or identification number
- Reason for issuance
- Custodian initials verifying Client receipt

The Department should periodically perform audits to verify that the log entries match purchase orders and gift card inventory. The Department must immediately report any shortages pursuant to the procedures set forth in [Administrative Bulletin 207](#). The Auditor will conduct a review of the Department's Gift Card procedures and compliance with those procedures during its routine departmental audit.

## **VII. PROCEDURES AND POLICIES WHEN COUNTY CONTRACTORS PURCHASE AND DISTRIBUTE GIFT CARDS**

1. Board of Supervisors approval is required before any contract authorizing a contractor to buy and distribute Gift Cards to promote a County program or service can be executed. A Board of Supervisors order or resolution that specifies the funding source, budget, quantity, amount, and type of Gift Cards must be attached to a request for payment for a contractor to be reimbursed for the purchase of Gift Cards.
2. The Service Plan for any County contract allowing the purchase and distribution of gift cards or monetary incentives must specify the maximum amount to be spent, the maximum value of each incentive, and reference any grant funding restrictions.
3. Special Conditions governing program incentives shall be incorporated into any such contract, substantially in the form provided on the County's Contract Forms Intranet site [<<INSERT LINK HERE>>](#) and as approved by County Counsel.

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Monica Nino  
County Administrator

*Originating Department: County Administrator*

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