

Special Conditions* Required for Contracts That Permit Issuance of Gift Cards
as Incentives to Promote County Programmatic Goals Pursuant to County
Administrative Bulletin No. 615, “*Issuance of Incentives, such as Gift Cards and
Vouchers, for Program Participation*”

1. **Gift Cards.** Contractor shall comply with the following with respect to gift cards, which are prepaid, stored-value card or electronic records 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.

A. **Alignment with Programmatic Goals.** Contractor shall only issue Gift Cards to recipients (hereinafter “Client(s)”) to advance the programmatic goal(s) set forth in the Service Plan. In furtherance of these goals, Contractor shall do the following prior to issuing a Gift Card to a Client:

- i. Communicate one or more tasks for Client to attain within a specified timeframe;
- ii. Verify and document that Client has made a good faith effort to complete the task or tasks;
- iii. Ensure the Gift Card value does not exceed the expected value of the Client’s task(s) to advancement of the programmatic goal(s) set forth in the Service Plan , and;

B. **Gift Card Log.** Contractor shall keep a log of Gift Cards distributed to Clients in order of identification number (usually 16 digits) that contains the following information:

- i. Purchase date
- ii. Company name
- iii. Gift Card identification number (e.g. 5001-000-000-0001)
- iv. Issue date
- v. Client name/ID
- vi. Reason for issuance/program goal
- vii. Description of client activity to advance program goal
- viii. Gift Card amount

The Gift Card log is subject to audit by the County. Contractor should also conduct its own quarterly internal audit to compare its Gift Card inventory with log entries to account for all purchased gift cards. Contractor shall promptly report any irregularities to the County.

C. **Reimbursement.** *Gift Cards are not eligible for County reimbursement if Contractor fails to do the following:*

- i. Satisfactorily log distribution of the Gift Card, as determined by the County;*
- ii. Timely submit the gift card receipt to the County and otherwise comply with the Payment Provisions, and;*
- iii. Distribute the Gift Card within the time frame set forth in the Service Plan or, if the Service Plan is silent on this point, before the end of the Contract term.*

D. **Acceptable Gift Cards.** *Generally acceptable Gift Cards include those that may be used to purchase goods such as merchandise and groceries, and local transportation services.*

- i. Gift Cards shall not be redeemable for alcohol, tobacco, controlled substances, or services, including, but not limited to, movies, mini-golf, or concerts.*
- ii. The purchase of a Visa, MasterCard, or American Express Gift Card is prohibited.*

E. **Limitations on Distribution.** *Contractor shall not distribute Gift Cards:*

- i. To individuals or corporations with whom Contractor, its employees, agents or subcontractors have any financial, familial or personal relationship;*
- ii. In exchange for participation in services for which Contractor or County may be reimbursed by a funding source other than the funding source used to purchase the Gift Cards, Contractor shall also not seek more than one reimbursement for a single Gift Card, or;*
- iii. In a quantity of more than one per client per year for each programmatic goal.*

iv. Through a subcontractor.

*F. **Gift Card Policy.** Contractor shall incorporate these special conditions into a written Gift Card Policy and distribute to its employees responsible for handling Gift Cards.*

*Other Special Conditions might also be required by the funding source, e.g., a State or Federal granting agency.

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