



# Buncombe County, North Carolina

## Gift Card Policy

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### 1.0 Policy Information

<b>Category &amp; Subcategory:</b>	Gift Cards	<b>Original Effective Date:</b>	4/10/2018	<b>This Revision Effective:</b>	4/10/2018
<b>Persons Affected:</b>	Eligible Buncombe County Workforce				
<b>Approvals:</b>	Approved By:	County Manager	Approved By:	Finance Director	
	Date Approved:		Date Approved:		

### Revision History

Effective Date	Version	Section	Summary of Changes	Author

Title: Gift Card Policy	Policy #: n/a	Revision #: 1
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## 2.0 Introduction/Purpose

The purpose of this document is to establish a policy for requesting and issuing gift cards and to ensure proper handling and accountability of these cards. Gift cards are recognized as a cash-equivalent and are susceptible to potential misuse and unnecessary risk exposure. The intent of this policy is to minimize or eliminate these risks while maintaining the integrity of program requirements.

## 3.0 Definitions

**Gift Card:** A gift card is defined as any prepaid stored-value money card issued by a retailer or a bank to be used as an alternative to cash for purchases.

## 4.0 Applicability

This policy applies to all Buncombe County cost centers, programs, and employees. Department Directors may enact additional requirements dependent upon budget or resources available.

## 5.0 Related Policies and/or Statutory References

Below are references to relevant policies, procedures, and/or statutory references:

5.1 **NCGS 159-32. Daily Deposits**

5.2 **NCGS 159.28. Budgetary Accounting for Appropriations**

5.3 **IRS TAM 200437030:** In summary, gift cards are treated same as cash and are taxable income when provided to employees because their value is apparent.

5.4 **Buncombe County Procurement Card Policy**

5.5 **Buncombe County Gift Card Procurement Procedure**

## 6.0 Policy

6.1 Gift cards shall not be purchased for or given to any employee.

6.2 No gift cards shall be provided as payment for goods or services. Gift cards provided to suppliers in this manner could be considered a kickback as no invoices can be tied to the gift card in the general ledger.

6.3 Gift cards shall not be used for personal purchases or personal gain.

6.4 Gift cards shall not be acquired with a procurement card. Please refer to the Buncombe County Procurement Card policy.

6.5 Some programs have known circumstances that the usage of gift cards results in the best delivery of services. These applications are authorized by the Board of County Commissioners and are limited to the following:

- Health and Human Services: Disbursements from client trusts, Family Preservation, foster parent appreciation, and food assistance contingency.
- Soil and Water Conservation: Rewards for educational programs participants and contest winners. Not funded from County dollars.
- Sustainability Office: Participation incentives for grant-funded programs.
- Buncombe County Service Foundation: Supplements to cover incidental needs for foster children and families.

Any usage of gift cards outside of the circumstances noted above is not permissible without prior authorization from the Buncombe County Board of Commissioners.

6.6 The methods of procuring any Gift Cards shall be constrained to the process outlined in the Gift Card Procurement Procedure.

## 7.0 Policy Non-Compliance

7.1 Compliance with this policy shall be regularly monitored by all authorized expenditure approvers within the County and by the County Finance department. Violations of this policy may result in disciplinary action (including termination and criminal charges), possible Audit finding, and a write-up in the Management Letter for the violating cost center or department.