

RESOLUTION # _____

RESOLUTION AMENDING A PORTION OF THE GIFT CARD POLICY SECTIONS
BUNCOMBE COUNTY PROCUREMENT MANUAL

- WHEREAS, every Buncombe County Commissioner, officer and employee has a fiduciary duty to account for public funds and to expend such funds in a diligent and responsible manner and in accordance with State law;
- WHEREAS, accordingly this Board adopted the County's Procurement Manual in 2018;
- WHEREAS, the Procurement Manual includes the Gift Card Policy, and this Gift Card Policy prevents full implementation of proven department client incentive programs;
- WHEREAS, the requested revisions are intended to clarify when and by whom procurement cards may be used to purchase gift cards, and expand the allowable usage of gift cards to include all client assistance and support programs; and
- WHEREAS, this Board desires to adopt the proposed Gift Card Policy revisions.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Buncombe as follows:

1. That this Board hereby adopts the revised Gift Card Policy, a copy of which is attached hereto and incorporated herein by reference.
2. That if any section, subsection, clause or phrase of this ordinance is, for any reason, held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance;
3. That all ordinances and clauses of ordinances in conflict herewith be and are hereby repealed to the extent of such conflict; and

4. That this resolution shall be effective upon its adoption.

This the 16th day of February, 2021.

ATTEST

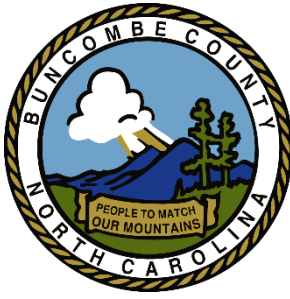
BOARD OF COMMISSIONERS FOR THE
COUNTY OF BUNCOMBE

Lamar Joyner, Clerk

By: _____
Brownie Newman, Chairman

APPROVED AS TO FORM

County Attorney



Buncombe County, North Carolina

Gift Card Policy

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1.0 Policy Information

Category & Subcategory:	Gift Cards	Original Effective Date:	4/30/2018	This Revision Effective:	2/16/2021
Persons Affected:	Eligible Buncombe County Workforce				
Approvals:	Approved By:	County Manager	Approved By:	Finance Director	
	Date Approved:		Date Approved:		

Revision History

Effective Date	Version	Section	Summary of Changes	Author
4/10/2018	1		Original version	
4/30/2018	2	3.0 & 6.0	<ul style="list-style-type: none"> Added definition of “grant funded” Included grant-funded uses as authorized in general, removed statements of specific grant-funded programs 	
2/16/2021	3	6.4 & 6.5	<ul style="list-style-type: none"> Clarified authority to purchase gift cards with a procurement card Clarified authority of Finance Director/CFO to designate Gift Card Liaison Expanded allowable usage of gift cards for service delivery 	

Title: Gift Card Policy	Policy #: n/a	Revision #: 3
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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.

Grant-funded: Funded by revenues awarded or allocated from another party for a designated purpose. Examples include grants secured through competitive process (e.g., Nurse Family Partnership, START) or legislated allocations (e.g. TANF Block Grant, Social Services Block Grant).

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 except by a Gift Card Liaison as designated by the County's Chief Financial Officer. 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:

- Grant-funded programs and uses.
- Client assistance and support 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.