

## General Controls

- P-Cards may not be used to purchase gift cards.
  - All gift cards must be purchased through Purchasing in accordance with District procedures.
  - Gift cards are considered cash-equivalent items and are subject to heightened internal controls, documentation, and audit oversight.
  - Visa or Mastercard (open-loop) gift cards are prohibited.
  - Certain gift cards may be considered “financial aid” and reported to the District’s Financial Aid Office.
- 

## Purchase, Storage & Custody

### 1. Requisition & Purchase

- a. Program Office contacts their Fiscal Services Representative to determine gift card purchase allowability.
- b. Program Office emails the Purchasing Department (purchasing@avc.edu) with the following information to request a quote/invoice:
  - i. Gift Card Merchant;
  - ii. Qty (representing the total number of cards to be distributed in a specific semester);
  - iii. Dollar Amount Per Gift Card; and
  - iv. Shipping method (overnight, 2 day, ground).
- c. Once Invoice/Quote received, Program Office submits itemized REQ for the applicable vendor and includes the following in the Document Text:
  - i. Semester of distribution (1 REQ per semester);
  - ii. Quote/Invoice #
- d. Quote/Invoice is to be uploaded into Onbase.
- e. Allowable funding sources include Basic Needs, EOPS, NextUp, CalWORKs, and other authorized student support programs.

### 2. Order & Payment Processing

- a. Purchasing Department forwards PO with applicable documents (e.g. invoice, etc.) to the District’s Accounts Payable Department for payment.
- b. Program Office provides “Ok to Pay” to the District’s Accounts Payable Department.
- c. Approved Gift card vendor processes orders upon receipt of payment (typical turnaround 2-3 weeks once payment is received).

### 3. Receipt & Secure Storage

- a. Gift cards are received by the District Warehouse, delivered to the Cashier’s Office, and jointly verified by Cashier and Program Office staff member upon receipt.
  - b. Cards are logged (including serial numbers when available) by the Cashier’s Office and stored in the Cashier’s Office safe, accessible only to Cashier’s Office staff.
- 

## Student Eligibility & Authorization

### 4. Eligibility Determination

- a. Each Program Office determines student eligibility based on program-specific criteria and documentation (e.g., intake forms, case notes, educational plans).

- b. Each eligible student is matched to an approved gift card type and amount, with justification documented in the program file.
- c. Is it the responsibility of the Program Office to ensure that Gift Cards considered “financial aid” are reported to the Financial Aid office.

## 5. Issuance Authorization

- a. Program offices completes a *Student Gift Card Issuance Request* (page 1 of the *Student Gift Card Forms*) for each eligible student.
  - b. Program offices submits the completed *Student Gift Card Forms* (page 1 & 2) to the Cashier’s Office, cashier@avc.edu.
- 

## Distribution, Logging & Oversight

### 6. Distribution & Logging

- a. The Cashier’s Office:
  - i. Verifies student identity (Student name/ID)
  - ii. Completes the “Card Issuance” portion of *Student Gift Card Issuance Request* (page 1) by noting:
    1. The last 4 digits of each Gift Card #;
    2. Their initials; and
    3. The date Gift Card(s) are issued.
  - iii. Have Student complete the *Gift Card Acceptance, Waiver & Tax Acknowledgement* (page 2)
  - iv. Releases gift card to student with a copy of the *Student Gift Card Issuance Request* and *Gift Card Acceptance, Waiver & Tax Acknowledgement*.
  - v. Sends hardcopy of completed *Student Gift Card Forms* to Program Office.

### 7. Reconciliation & Reporting

- a. Programs and the Cashier’s Office maintain monthly reconciliation logs.
  - b. The District’s Business Office audits submitted logs for compliance.
  - c. Programs are responsible for:
    - i. Maintaining confidential records
    - ii. Linking gift card issuance to documented student need
    - iii. Conducting quarterly reviews to ensure alignment with state, federal, and institutional requirements.
  - d. All gift cards purchased with grant funds must be reported to Financial Aid, as applicable.
- 

## ✓ Compliance Notes

- These procedures support compliance with public funds restrictions, tax reporting requirements, and grant program rules.
- Failure to follow these procedures may result in audit findings, disallowed costs, or repayment obligations.

*Reference: AP6300, CA Government Code 89501, CA Constitution Article 16, Section 6, C.F.R Section 1.132-6(c), C.F.R section 1.61-2(d)(1), IRS Publication 5137*