



<b>POLICY TITLE: GIFT CARDS</b> <b>POLICY NUMBER: 2.5.2</b> <b>CHAPTER 2: FISCAL MANAGEMENT</b>		<b>PAGE <u>1</u> of <u>7</u></b>
	<b>STATE of MAINE</b> <b>DEPARTMENT of CORRECTIONS</b>  <b>Approved by Commissioner:</b> 	<b>PROFESSIONAL STANDARDS:</b>  <b>See Section VIII</b>
<b>EFFECTIVE DATE:</b> <b>June 11, 2025</b>	<b>LATEST REVISION:</b>	<b>CHECK ONLY IF</b> <b>APA [    ]</b>

## I. AUTHORITY

The Commissioner of Corrections adopts this policy pursuant to the authority contained in 34-A M.R.S.A. Section 1403.

## II. APPLICABILITY

Departmental Wide

## III. POLICY

The purpose of this policy is to set forth procedures for the purchase, distribution, tracking and accounting of gift cards purchased by the Maine Department of Corrections using Department funds for eligible residents, clients, or other recipients.

## IV. DEFINITIONS

1. Calendar year – a one-year period that begins on January 1 and ends on December 31.
2. Gift cards – include, but are not limited to gift cards, cash equivalents, gift certificates, gift vouchers, store-value cards, prepaid debit/credit cards and electronic gift codes.
3. Recipient – for the purposes of this policy, an eligible resident, client, or a family member of a resident or client who receives a gift card from the Maine Department of Corrections.

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## VI. ATTACHMENTS

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Attachment B: [Gift Card Acknowledgement](#)

## VII. PROCEDURES

### Procedure A: General

1. This policy aligns with the Maine Department of Administrative and Financial Services, Office of the State Controller State Administrative & Accounting Manual ([SAAM](#)) and meets the requirements to purchase and distribute gift cards in accordance with SAAM.
2. This policy is not meant to duplicate SAAM, which is the official document for the State of Maine that covers financial and administrative matters and may be subject to frequent changes.
3. Gift cards may be purchased and distributed only if the purpose(s) have been approved by the Commissioner, or designee, and authorized by the State Controller.
4. The use of gift cards should only be considered when no other option is viable, should be infrequent, and conservative in value.
5. Gift cards shall be purchased with designated Department funds.
6. Under no circumstances may a state employee be involved in any stage of handling or transferring gift cards or use a gift card for themselves or family members.
7. Any employee who mishandles, misuses, abuses, or is involved in the theft of a gift card may be subject to disciplinary action up to and including termination, criminal prosecution, and restitution.
8. Any instance of loss, theft, fraudulent use, or abuse of gift cards must be immediately reported to the facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, as applicable, the DAFS Corrections Financial Service Center Director, or designee, and the State Controller.
9. This policy does not pertain to gift cards distributed by other organizations to clients under supervision by the Maine Department of Corrections.

### Procedure B: Gift Card Restrictions

1. Gift cards for purchases outside the scope of authorized purposes are prohibited.
2. Gift cards cannot be used to purchase prohibited items, including program materials.
3. Gift cards shall not be purchased using federal grant funds unless the terms and conditions of the grant permit such purchase.
4. If there are restrictions on the specified funds used to purchase gift cards, the use of the gift cards shall be subject to the same restrictions as the use of the specified funds.

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5. Gift cards may NOT be purchased for the following:
  - a. to pay/compensate staff, student interns, volunteers, independent contractors, or other individuals for services/work performed;
  - b. as a reimbursable expense for employees;
  - c. to pay vendors, suppliers or consultants for goods and/or services received; or
  - d. for holiday or other gifts to employees or suppliers; and
  - e. gift cards to employees are strictly prohibited.
6. Individual gift cards may not have a face value greater than \$100.00 without prior written approval from the Commissioner, or designee.
7. An individual shall not receive \$500.00 or more in aggregated gift cards in a calendar year.

**Procedure C:      Approved Purposes for Gift Cards and Limits**

1. Gift card purchases are restricted to only those specifically authorized by statute, authorized by federal program guidelines, if allowed, and for the purposes approved by the Commissioner, or designee.
2. As set out in this policy, the Commissioner approves the following purposes for the purchase and distribution of gift cards contingent upon authorization by the State Controller. Gift cards may be purchased and distributed based on the following purposes:
  - a. need based for a family member traveling more than 150 miles one-way to visit a resident or client:
    - 1) a gas card in the amount of no more than \$50.00 to help offset the cost of gas;
    - 2) a gift card in the amount of no more than \$50.00 to help offset the cost for the purchase of food for family members while visiting a resident or client that takes place outside of a facility; and/or
    - 3) a gift card in the amount of no more than \$100.00 to help offset the cost of lodging costs
  - b. need based in the amount of no more than \$50.00 for transportation so a community corrections client can attend a court or health care appointment; and
  - c. a gift card in the amount of no more than \$25.00 as an incentive for:
    - 1) completing a required program, e.g., high school completion or equivalency; substance use disorder treatment; etc.;
    - 2) participation in a required program or service for a specified period of time; and
    - 3) positive behavior for a specified period of time, e.g., violation free for three (3) months.
3. The Commissioner, or designee, shall provide documentation of the State Controller's decision on approved purposes to the applicable facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community

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Corrections, or their designees, the Department of Administrative and Financial Services (DAFS) Corrections Service Center Director, or designee, and other applicable staff.

**Procedure D: Separation of Duties**

1. A facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, who implements a gift card program shall have a different employee responsible at each of the below steps for the handling and transfer of gift cards, including the:
  - a. gift card order request;
  - b. approval of the order of gift cards;
  - c. purchase of the gift cards;
  - d. receipt of the gift cards;
  - e. distribution of the gift cards;
  - f. monitoring of the usage of the gift cards; and
  - g. periodical inventory of gift cards.

**Procedure E: Requirements Prior to Purchasing Gift Cards**

1. A facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, who implements a gift card program shall:
  - a. determine the maximum quantity of gift cards to be purchased per calendar year for each purpose, which needs to be approved by the Commissioner, or designee;
  - b. ensure compliance with this policy and SAAM;
  - c. establish in advance the goals the resident or client, as applicable, must achieve to be eligible to receive a gift card; and
  - d. specify the time period in which these goals must be accomplished.

**Procedure F: Purchase of Gift Cards**

1. If the request for gift cards is approved by the Commissioner, or designee, the applicable facility Chief Administrative Officer, the Associate Commissioner of Juvenile Services, or the Director of Adult Community Corrections, or their designees, may purchase gift cards if the following requirements are met:
  - a. all State procurement rules, policies and processes are followed;
  - b. gift cards are purchased from an approved vendor;
  - c. gift cards shall not exceed the maximum amount per card for that purpose;
  - d. gift cards shall not be purchased using Department procurement cards (P-Cards); and
  - e. only the amount of gift cards that will be needed for the purpose for the calendar year shall be purchased.

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2. When approved, gift cards may be purchased from:
  - a. any Resident Benefit Fund (RBF) in accordance with [Title 34-A section 1403](#)(10);
  - b. federal grant funds, if allowed by the federal grant program; and
  - c. donations.
3. Once the gift cards are received, the facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, shall ensure the following using the Gift Card Tracking Log, Attachment A:
  - a. documentation of the inventory receipt and distribution to include the name and signature of the receiving staff and corresponding date;
  - b. verification of the card types and quantities by type in total from the gift card shipments against the packing slips of the shipments;
  - c. review of the packing slips of the gift card shipments and are signed and dated; and
  - d. record of the received gift card shipments and returns if any in the inventory records.
4. The facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, shall maintain all supporting documentation documenting recipient eligibility, purpose for which the gift card was issued, authorization to disburse the card and the recipient's acknowledgement of the gift card.

**Procedure G: Gift Card Inventory and Documentation**

1. A facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, shall maintain the below internal controls:
  - a. complete and accurate inventory records of number of gift cards, gift card type, including the gift card vendor and serial number, the beginning balance, gift cards received and distributed and corresponding dates, and the ending balance;
  - b. restrict access to gift card inventory records to authorized employees and ensure access rights are immediately terminated once the employees no longer need access;
  - c. conduct periodic physical inventory counts quarterly and match results to inventory records;
  - d. report to facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, as applicable, any discrepancies in the quantities and amounts between the physical inventory counts and inventory records;
  - e. investigate discrepancies between the physical inventory counts and inventory records, document the reasons for discrepancy and report the discrepancy to the Commissioner, the DAFS Corrections Service Center Director, or their designees, and the State Controller;
  - f. review and approve any adjustments to inventory records;

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- g. ensure all gift cards are stored in a locked cabinet or safe and restrict access to its key or combination; and
- h. provide the inventory records to the DAFS Service Center Director, the Commissioner, or their designees, or the State Controller, as applicable.

**Procedure H: Gift Card Distribution**

1. A facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, who implement a gift card program shall ensure:
  - a. that a recipient continues to meet the purpose that entitles them to receive a gift card with sufficient and appropriate proof;
  - b. to change the recipient's eligibility status immediately if they become ineligible to receive a gift card;
  - c. that the recipient signs the Gift Card Acknowledgement (Attachment B) describing the dollar value of the gift card received, acknowledges they understand, and will abide by the allowable use of the gift card; and
  - d. track the distribution of gift cards to each recipient in aggregate so no recipient receives \$500 or more in a calendar year, e.g., a parent with multiple children as MDOC clients can only receive the maximum of \$500 annually.
2. A facility Chief Administrative Officer, Associate Commissioner of Juvenile Services, or Director of Adult Community Corrections, or their designees, who implement a gift card program shall:
  - a. review and approve all eligibility documentation for each distribution of gift cards;
  - b. maintain a record itemizing at a minimum, the following using Gift Card Tracking Log, Attachment A:
    - 1) gift card amount;
    - 2) gift card purchase date;
    - 3) gift card vendor and identification number;
    - 4) gift card purpose;
    - 5) recipient name;
    - 6) date gift card issued to recipient; and
  - c. review and approve such records before each round of gift card distribution with applicable fiscal staff; and
  - d. return to the fiscal office any gift card not distributed to a recipient and properly record the card in the inventory record.

**Procedure I: Gift Card Usage**

1. Gift cards shall only be provided to recipients who are eligible participants in the program.
2. Gift cards must be used only for authorized purposes.

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3. The total value of gift cards distributed to each recipient must not exceed the annual limit of \$500.
4. The DAFS Corrections Financial Service Center Director, or designee, shall monitor the usage of issued gift cards no less frequently than annually. The monitoring shall include a review of the inventory reports or a sample of 10% of issued gift cards for each facility or community corrections region on a quarterly basis to include, but not be limited to, ensuring:
  - a. adequate segregation of duties between employees involved in the gift card program;
  - b. that recipients have signed the Gift Card Acknowledgement (Attachment B);
  - c. gift cards were issued in accordance with allowable purposes as set forth in this policy;
  - d. that the records show that the funds received for the purchase of the gift cards are reconciled to the inventory and card issuance; and
  - e. that cards are stored securely and access to the cards is limited.
5. The DAFS Corrections Financial Service Center Director, or designee, shall audit the usage of distributed gift cards no less frequently than annually.

**Procedure J: Gift Card Record Retention**

1. For audit purposes, all documentation shall be retained for no less than five years.

**VIII. PROFESSIONAL STANDARDS**

None

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