



CABINET FOR HEALTH AND FAMILY SERVICES
Department for Community Based Services
Division of Family Support

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Governor

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Eric C. Friedlander
Secretary

Marta Miranda-Straub
Commissioner

TO: CSBG-Eligible Entities
FROM: Jason Dunn, Director
Division of Family Support
DATE: June 29, 2022
SUBJECT: CSBG Funding for Gift Cards



In order to serve the most vulnerable population in your service area most effectively, the Division of Family Support is providing guidance on the purchase and distribution of gift cards to eligible households using CSBG funds effective June 29, 2022.

CAAs should purchase gift cards that forbid individuals from purchasing alcohol or tobacco products. Examples of purchasing these types of gift cards are below.

<https://www.walmart.com/ip/Walmart-Gift-Card-Alcohol-Tobacco-Firearms-Prohibited/55486194>

<https://wallethub.com/answers/cc/credit-cards-for-gas-purchases-only-2140690246/>

CAAs must adhere to the following procedure when purchasing and distributing gift cards **which forbid alcohol or tobacco products** using CSBG funds:



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1. The CSBG Plan and Budget Proposal budget narrative must detail the allocation and use of gift cards under Client Services.
2. The agency must develop and implement detailed policy and procedure for the process of providing gift cards to eligible households. This policy/procedure must be consistent with the agency's Board-approved procurement policies and must be approved by DCBS. The policy and procedure shall, at a minimum:
 - a. Ensure the security of the items;
 - b. Address appropriate distribution to clients; and
 - c. Create a line item in the budget specific to these cost (this can be outlined in your narrative and place under client services on your B1).
3. Agencies must maintain a gift card log to inventory and track distribution and use of the cards that includes at minimum:
 - a. Identifying information that links the participant to the purchased gift card;
 - b. The card number, date of purchase, and amount on the card;
 - c. The date and signature of the person in receipt of the gift card;
 - d. The date and signature of the CAA staff distributing the gift card.
4. A log will be included with the monthly invoice to DCBS and shall include the number of gift cards purchased, the gift card numbers, the amount of each gift card, and the dates purchased.
5. Gift cards must be entered and tie to the appropriate program in CASTiNET. The gift card number will tie to the individual and detailed information will be entered into case notes.

If your agency chooses to use gift cards **that do not forbid alcohol or tobacco products**, CAAs must adhere to the following procedures when purchasing and distributing gift cards using CSBG funds:

1. The CSBG Plan and Budget Proposal budget narrative must detail the allocation and use of gift cards under Client Services.
2. The agency must develop and implement detailed policy and procedure for the process of providing gift cards to eligible households. This policy/procedure must be consistent with the agency's Board-approved procurement policies and must be approved by DCBS. The policy and procedure shall, at a minimum:
 - a. Ensure the security of the items;
 - b. Address appropriate distribution to clients; and
 - c. Create a line item in the budget specific to these cost (this can be outlined in your narrative and place under client services or other on your B1).
3. Agencies must maintain a gift card log to inventory and track distribution and use of the cards that includes at minimum:
 - a. Identifying information that links the participant to the purchased gift card;
 - b. The card number, date of purchase, and amount on the card;
 - c. The date and signature of the person in receipt of the gift card;
 - d. The date and signature of the CAA staff distributing the gift card.

4. Agencies must have clients sign a declaration that they will not purchase alcohol or tobacco with the gift card;
5. The receipt of items purchased must be submitted by the participant to the CAA within 30 calendar days or the participant will be ineligible to receive gift cards in the future.
6. A log will be included with the monthly invoice to DCBS and shall include the number of gift cards purchased, the gift card numbers, the amount of each gift card, and the dates purchased.
7. Gift cards must be entered and tie to the appropriate program in CASTiNET. The gift card number will tie to the individual and detailed information will be entered into case notes.

If you have any questions, please contact Nancy Rowland at nancy.rowland@ky.gov.

DCBS/DFS/PDB/NR