

FDA STAFF MANUAL GUIDES, VOLUME III - GENERAL ADMINISTRATION

PROCUREMENT AND SUPPLY MANAGEMENT

GUIDANCE FOR PURCHASE OF GIFT CARDS

Effective Date: 06/30/2017

1. Purpose
 2. Background
 3. Policy
 4. Responsibilities
 5. Authorities
 6. References
 7. Effective Date
 8. History
- Attachment 1: Gift Card Tracking Form for Individual Scientific Research Study
Attachment 2: Authorization Request for Gift Card Purchase

1. PURPOSE

This Guide establishes the policy for FDA's 1) purchase, distribution and use of network gift cards for scientific research studies; and 2) sets forth the responsibilities and guidance for FDA Purchase Cardholders, AOs, AOPCs, and all FDA personnel having duties associated with FDA scientific research studies.

2. BACKGROUND

The policy (herein) aligns with GAO's findings (See National Telecommunications and Information Administration (NTIA), B-310981, January 25, 2008), that, in order for a Federal Agency to use federal appropriated funds for the purchase of a network gift card(s), a "direct connection" must exist between the purchase and the Agency's statutory responsibility and mission objective.

Additionally, the purchase, distribution and use of network gift cards must comply with Federal Appropriation Law, specifically the "Bona Fide Needs" rule; which, for the purpose of this policy, means a bona fide requirement must exist at the time a network gift card(s) is purchased; and, the network gift card(s) must be distributed prior to or at the time the scientific research study is completed. However, if for some reason (e.g., cancellation,

postponement of the scientific research study, etc.) the requiring FDA Center/Office does not use the network gift card(s), it may then be applied to another approved scientific research study of the requiring Center/Office occurring within the same fiscal year.

3. POLICY

This policy provides for the purchase of “network gift cards,” however; only to aid in meeting and furthering FDA scientific research studies. Network gift cards, unlike credit cards, have a specific value amount identified on the card (e.g. MasterCard, Discover, American Express, Visa, etc.). Authorized cardholders are responsible for evaluating sources and shall use their discretion to make the determination to purchase the network gift card at an appropriate online retailer, at any bank, and/or participating retail facility (e.g. grocery stores, etc.); and, may be used in any existing point of sale system or credit card sales terminal where it is accepted.

The network logo (e.g. MasterCard, Discover, American Express, Visa, etc.) must be visible on the gift card(s) purchased.

The purchase of specific retail merchant gift cards (e.g.: Target, Macy’s, Best Buy, etc.) is strictly prohibited.

In order to protect the privacy of research participants, no one participant shall receive gift cards in an aggregate amount that exceeds \$599 within a calendar year.

Failure to comply with this SMG may result in disciplinary action.

4. RESPONSIBILITIES

FDA Centers/Offices requesting a network gift card(s) for scientific research study participants shall provide all approved Research Involving Human Subjects Committee (RIHSC) study documentation to FDA’s Agency/Organization Program Coordinator (AOPC).

The AOPC’s approval of the purchase, distribution and use of a network gift card(s) will extend over the life of the scientific research studies.

FDA Centers/Program Offices shall:

- A. Comply with the FDA gift card policy (herein) to include completing the **Gift Card Tracking Form for Individual Scientific Research Study (Attachment 1)**;

- B. Provide names of cardholders who are authorized to purchase network gift card(s) to FDA's AOPC;
- C. Ensure the amount of each network gift card does not exceed *the FDA* monetary authorization of \$50; and ensure no one participant receives gift cards in an aggregate amount that exceeds \$599 within a calendar year;
- D. Submit an iProcurement requisition to FDA's Office of Acquisition and Grant Services (OAGS) for each scientific research study if the aggregate dollar value of the network gift card(s) required exceeds the micro purchase threshold (\$3,500; see FAR 2.101);
- E. Ensure the **Authorization Request for Gift Card Purchase (Attachment 2)** is approved by the Program Office Division Director (or designee) and the Center/Office Executive Officer (or designee);
- F. Ensure the **Authorization Request for Gift Card Purchase** states the total estimated number of study participants for the designated scientific research study;
- G. Ensure the network gift card is not used for any expense/purpose outside the scope of the designated scientific research study;
- H. Ensure the network gift card will not be used for FDA employee awards or incentives, contractor payments or honorariums;
- I. Ensure network gifts cards are not provided to federal employees; unless, they are a designated participant in a federally funded scientific research study;
- J. Ensure the **Gift Card Tracking Form for Individual Scientific Research Study** is completed and maintained for auditing purposes;
- K. Ensure the network gift card(s) is/are controlled and kept in a safe, locked area (same as cash);
- L. Ensure all research projects include compensation statements approved by RIHSC.
- M. Ensure proper oversight and control procedures are in place to track the purchase and distribution of all purchased network gift card(s) for study participants, deter the stockpiling of unused network gift cards, facilitate the reconciliation of network gift card purchases, and the following:
 - 1. Only the primary researcher (or designated study sponsor) and the FDA purchase cardholder shall have access to network gift cards.

2. The FDA purchase cardholder shall transfer network gift cards to the primary researcher to support an anticipated 30 day period of scientific research study requirements. The FDA purchase cardholder shall maintain a locked safe located in the cardholder's workstation, or other controlled office location, for the remaining network gift card inventory.
3. The primary researcher may request additional network gift cards at any time to accommodate and ensure the fluidity of the study.
4. The primary researcher (or designated study sponsor) *must sign* the Center/Office designated document acknowledging receipt of the gift card(s), and maintain gift card purchase records, including receipts, with the study records.
5. The primary researcher (or designated study sponsor) shall distribute the network gift cards in accordance with the prescribed scientific research study protocol and the research study participants' completion of designated tasks.
6. Maintain the Center Gift Card Tracking Form electronically in a location that can be easily accessed by the primary researcher, FDA purchase cardholder, requisitioner, AOPC, and Center/Office Leadership. This will facilitate electronic updating and auditing.
7. The primary researcher shall populate the 'Date Distributed' column of the Gift Card Tracking Form within one (1) business day of the date the network gift card(s) is distributed.
8. To guard against the stockpiling of network gift cards, the requiring Center/Office designee shall conduct and complete an annual audit of each scientific research study; unless, the duration of the study is less than one (1) year. If so, the audit shall be conducted and completed within 30 calendar days of the study's completion. The findings of each audit shall be provided to the Executive Officer and AOPC. All audit concerns and discrepancies will be investigated.

The FDA purchase cardholder, primary researcher (or designated study sponsor) and Program Center Control Point (CCP) shall retain all records (e.g., receipts, approvals, supporting documentation, etc.) pertaining to the purchase of network gift card purchases for each completed scientific research study for six (6) years.

FDA Agency/Organization Program Coordinator (AOPC) shall:

- A. Oversee the FDA gift card policy herein.

- B. Ensure the purchase and distribution of all network gift cards for scientific research study participants comply with the gift card policy (herein);
- C. Ensure proper oversight and controls are in place for the purchase, distribution, and use of network gift cards.
- D. Conduct annual audit of 100% of network gift card purchases and cardholder/program offices to ensure policy compliance; and,
- E. Approve the **Authorization Request for Gift Card Purchase** within seven days of receipt of the request from the requiring FDA Center/Office.

Authorized FDA Purchase Cardholders shall:

- A. Ensure the number of network gift cards purchased are only for the confirmed number of scientific research study participants identified on the *Authorization Request for Gift Card Purchase*;
- B. Ensure the network gift card(s) purchased has no associated fees other than the card's activation fee; any other associated fees will make the network gift card ineligible for purchase;
- C. Ensure the network gift card does not exceed the FDA authorized allowable amount of \$50; and
- D. Ensure the Gift Card Tracking Form for Individual Scientific Research Study is completed for each gift card purchased; and ensure no one participant receives gift cards in an aggregate amount that exceeds \$599 within a calendar year;
- E. Ensure all required purchase card documentation is uploaded to the designated electronic repository, to include: purchase request, required approvals and justifications, receipts, shipping/packing slips; a copy of the Authorization Request; and the Gift Card Tracking Form. Copies of all documentation shall be retained in the study documentation file and purchasing file.

5. AUTHORITY.

This Guide is issued in accordance with, and as a supplement to, the Department's guidance on the purchase, distribution, and use of network gift cards ([Health and Human Services \(HHS\) Purchase Card Guide, Version 6, July 2010](#));

6. REFERENCES.

Federal Acquisition Regulation (FAR)
GSA's SmartPay Guideline

7. EFFECTIVE DATE

This policy is effective as of June 30, 2017.

8. Document History - SMG 2610.6, Guidance for Purchase of Gift Cards

STATUS (I, R, C)	DATE APPROVED	LOCATION OF CHANGE HISTORY	CONTACT	APPROVING OFFICIAL
Initial	06/30/2017	N/a	OO/OC/OFBA/OAGS	Leonard Grant, Acting Director, OAGS

[Back to General Administration, Volume III \(2000-3999\)](#)

GIFT CARD TRACKING FORM FOR INDIVIDUAL SCIENTIFIC RESEARCH STUDY

SCIENTIFIC RESEARCH STUDY TITLE:	
CENTER/PROGRAM OFFICE:	
PURCHASE CARD HOLDER:	
PURCHASE CARD HOLDER APPROVING OFFICIAL:	
*CENTER/PROGRAM OFFICE REQUESTING OFFICIAL:	
POINT OF CONTACT (for Scientific Research Study):	

* Center/Program Office Requesting Official is responsible for completion of this form in its entirety for each individual study.

RIHSC Control #	Purchase Date	Vendor Name & Address	Gift Card Type & PIN/ID	No. of Gift Cards Purchased	Individual Dollar Amount	Total Dollar Amount of Gift Card Purchases	Center/Program Gift Card Distributer	Date Distributed

** ATTACH ADDITIONAL PAGES IF NECESSARY **

Center Gift Card Tracking Form must be maintained and made available for auditing purposes.

FDA AUTHORIZATION REQUEST FOR GIFT CARD PURCHASE

1. DATE		2. REQUESTING OFFICIAL	
3. NAME OF SCIENTIFIC RESEARCH STUDY			
4. RIHSC APPROVAL/CONTROL NO.		5. RIHSC APPROVED AMOUNT	\$
6. TOTAL ESTIMATED NUMBER OF STUDY PARTICIPANTS		7. DATE(S) OF STUDY	
8. PURCHASE CARDHOLDER NAME		9. PURCHASE CARDHOLDER SIGNATURE	
10. APPROVING OFFICIAL NAME		11. APPROVING OFFICIAL SIGNATURE	
12. JUSTIFICATION FOR PURCHASE AND USE OF GIFT CARD(S)			
13. IDENTIFY LOCATION WHERE GIFT CARDS WILL BE SECURED UNTIL DISTRIBUTED TO SCIENTIFIC RESEARCH PARTICIPANT			
14. NAME OF GIFT CARD CUSTODIAN			
15. CARD DENOMINATION (PER CARD)		16. NUMBER OF GIFT CARDS TO BE PURCHASED	
17. VENDOR NAME		18. TOTAL COST OF GIFT CARDS TO BE PURCHASED	
19. DESCRIBE HOW GIFT CARDS WILL BE DISTRIBUTED TO SCIENTIFIC RESEARCH STUDY PARTICIPANT:			

Having reviewed the information (above), I confirm this Request is in accordance with FDA's Gift Card Policy guidance and, therefore, authorize the purchase of _____ gift cards for the referenced FDA scientific study.

Center/Office Study Manager

Signature

Date

I have reviewed the information as provided and therefore authorize this request for the purchase of gift cards for the above-referenced study.

Center/Office Executive Officer or Designee

Signature

Date

AOPC, OAGS

Signature

Date

Authorization Request must be maintained in the Purchase Card File.
Forward completed form to the FDA Agency/Organization Purchase Card Coordinator (A/OPC)
at P-CardInquiries@fda.hhs.gov