



**American Rescue Plan-Homeless Children and Youth (ARP-HCY)
Gift/Prepaid Debit Card and Gas Card Procedures
(Updated September 2024)**

Allowability

Purchasing supplies, including food items, clothing, shoes, and hygiene items for students experiencing homelessness is allowable under ARP-HCY. LEAs are encouraged to directly purchase items or supplies students require to fully participate in school. Providing gift cards to a student or a parent/guardian to purchase allowable items or supplies is also acceptable. Purchasing gas-only cards for families is also an allowable use of funds. If an LEA chooses to purchase cards for these expenses, please keep the following fiscal information in mind.

Best Practices

- Ensure the LEA's policies and procedures allow the purchase of gift/gas cards to provide supplies.
- The LEA has procedures to ensure allowable items were purchased for the intended purpose and for student use.
 - For example, some stores may have a gift card that can only be used for food items and some gas stations have cards that can only be used for gas (fuel-only gift card).
 - LEA may consider using an agreement with the student or family to ensure they know the allowable costs for the card.
- LEA follows up to ensure the procedures were met.

Obligating Items Purchased with Gift Cards (Updated September 2024)

ARP-HCY subrecipients may purchase gift cards or gas cards until September 30, 2024. These cards can be used and distributed after September 30, 2024, but must be liquidated by December 6, 2024, the final day for subrecipients to submit claims on ARP-HCY funds.

Procedure Example:

1. For gift cards/prepaid debit cards: The homeless liaison asks a student or family experiencing homelessness to sign a "gift card agreement". This agreement could say:
 - "By accepting this card, I agree to use it for only the following purchases: (LEA fills in here – clothing, shoes, food, hygiene items, etc.) and these items can only be used for (LEA fills in child/student names)."
 - LEA may include a note on how the amount of the gift card was decided upon by the district.
2. For gas-only cards: The homeless liaison calculates the amount necessary for a family/student to get to and from school and takes into account how many days the card will cover.

- LEA may consider using a “[gas card agreement form](#)” for transparency with families and students.
3. The homeless liaison maintains records that include the date gift cards were issued, recipients of the gift cards, amounts on the gift cards, and vendor of the card (i.e., Target, Walmart, etc.).
 4. To manage the LEA’s fiscal risk, LEA should consider having a procedure in place if a recipient misuses the gift card. For students and families experiencing homelessness, it is not realistic to expect the student/family to reimburse the district for the unallowable items.
 5. The fiscal staff charges gift cards to the ARP-HCY grant (before September 30, 2024). The LEA will not charge any funds from gift cards that were misused based on the “gift card agreement” or used for items not allowed under the ARP-HCY federal grant or the Federal Uniform Grant Guidance (2 CFR 200 Subpart E-Cost Principles).

For more information about allowable uses of ARP-HCY funds, please see the DPI ARP-HCY webpage: www.dpi.wi.gov/homeless/arp-hcy.

For further assistance on matters pertaining to Education of Homeless Children Youth (EHCY), please contact DPI EHCY staff: <https://dpi.wi.gov/homeless/contacts>.