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## PROGRAM INSTRUCTION

**To:** PDG B-5 Planning Grant and Renewal Grant Recipients

**Subject:** Modified “Gift Cards as Incentives” Policy for Preschool Development Birth Through Five (PDG B-5) Planning and Renewal Grants

### Instruction:

The U.S. Department of Health & Human Services/Administration for Children & Families/Office of Early Childhood Development (ECD) is providing policy guidance on the Use of Gift Cards as Incentives under Preschool Development Grants Birth Through Five (PDG B-5) Federal Awards.

This Program Instruction (PI) provides information describing policies and procedures specific to the PDG B-5 Initiative and its grant recipients and is not intended to address the use of gift cards by other ACF initiatives, programs, or services.

### PDG B-5 Use of Gift Cards as Incentives Policy

Providing gift cards as an incentive to PDG B-5 participants is a permissible use of PDG B-5 funds so long as the expenditure can be justified as meeting one or more of the statutory purposes of the PDG B-5 Initiative ([Every Student Succeeds Act Section 9212](#)).

Gift cards, once purchased and provided to PDG B-5 participants, are to be considered a complete expenditure requiring no additional tracking. Therefore, if a PDG B-5 grant recipient chooses to distribute a gift card as an incentive, or in appreciation of participation in PDG B-5 activities, no further tracking of the use of the gift cards is required by the grant recipient.

### Why This Policy Was Published

While ECD recognizes the importance of ensuring that program funds are spent for intended purposes, several realities led to our decision to minimize required tracking of gift cards for PDG B-5:

1. One of the key PDG B-5 activities for which PDG B-5 funding is expected to be used has to do with engaging families in program-level decisions, including the development of program policies and practices, a comprehensive, statewide, birth through five needs assessment, a related, comprehensive state strategic plan, all leading to more effective

coordination, collaboration, and alignment across each state's B-5 early childhood mixed delivery system.

2. State leaders are strongly encouraged to facilitate meaningful parent, family engagement, and caregiver engagement by providing ongoing and sustainable opportunities to listen and learn from these individuals about what supports are needed to improve the B-5 mixed delivery system leading to each child's successful transition into kindergarten.
3. With the increased interest in lived experience, parent and provider voice, more meaningful parent engagement, and the inclusion of parents and providers in state needs assessment, strategic planning, and implementation work, there is a desire to compensate folks as a sign of appreciation for their time and efforts.
4. Having to verify the full use of each card is overly burdensome to all parties and would serve as a disincentive that works against the mandates of the PDG B-5 Initiative and what we are trying to accomplish.

Please direct any questions regarding this Program Instruction to me at [Richard.Gonzales@acf.hhs.gov](mailto:Richard.Gonzales@acf.hhs.gov)

Thank you for your work on behalf of children and families.

/ Richard Gonzales /

Richard Gonzales  
PDG B-5 Federal Project Manager  
Office of Early Childhood Development

See PDF Version of Program Instruction:

Historical Document