The School District of Philadelphia recognizes that incentives can be a powerful tool to entice participants into completing various grant related activities. This policy provides guidelines on how to utilize incentives to ensure incentives are appropriately used.

**Reason for Policy**
Incentives can be useful for motivating people to participate in grant related activities. However, care must be taken to ensure that incentives are appropriate, linked to specific program goals, administered fairly, compliant with applicable regulations and, if the incentives are tangible items, kept secure to avoid loss, misuse or theft.

**Policy Requirements**
Grantors establish the acceptable and appropriate use of incentives pursuant to the laws and rules of the grant funds. Grant Program Managers (GPMs) are responsible for devising incentive programs consistent with the grant agreement and ensuring the incentives are allowable tools in which to achieve program goals. Any incentives should meet all program cost guidelines and comply with the District’s policy **GP0800 Allowable Uses of Funds and Adherence to Cost Circulars**. Incentives must be necessary, reasonable, and allocable. Incentives provided to District employees and/or students via grant-funded programs must be provided in accordance with all District policies, even if those policies are more restrictive than the grant requirements.

Prior to any rewards being handed out, GPMs must clearly establish in writing the criteria that participants must meet in order to earn the reward. Criteria must be measurable, impartial, align with the program goals, be disseminated to all eligible program participants, be directed at individual participants, and cannot be a blanket award bestowed on all potential participants at once. Generally speaking, incentive items for individuals should not be in the form of cash and should be of nominal monetary value. Preference should also be given to providing incentive items that will provide more general/broad benefits and further the mission of the District or a school – for example, a teacher might receive as an incentive item for participation in a grant program a laptop computer. Such an item would be preferable because it might enhance a teacher’s ability to teach. Whenever incentives are given out, documentation must be maintained on who received the incentive and why, along with a participant sign off and date on any incentive received.

Incentives of a “nominal value” that are “consumable” shall pass to the ownership of the recipient. Consumables are typically items such as apparel, entrance fees to events, etc. All other incentives shall remain the property of the School District of Philadelphia.

Incentive rewards that remain the property of the District should be maintained in a physically secure location with the security plan documented during the grant application phase. GPMs are responsible and will be held accountable for the security of any program rewards. For assistance with the tracking and
security of tangible rewards, refer to District’s policy GP2300 Management of Equipment Purchased with Grant Funds.

Responsibilities
GPMs must clearly establish in writing the criteria that participants must meet in order to earn the reward. Criteria must be measureable, impartial, align with the program goals, should be disseminated to all eligible program participants, should be directed at individuals, and cannot be a blanket award bestowed on all potential participants at once. GPMs must document and retain students’ successful attainment of incentive criteria, and receipt of reward.

The Office of Grants Compliance (OGC) shall review incentive plans devised by GPMs to ensure compliance with applicable grant guidelines and District policies. OGC will regularly review incentive program documentation, including expenditures for incentive items and records of incentive distribution, for compliance with policy and procedures.

Procedures

Forms

Definitions

Contacts
- Office of Grant Compliance and Fiscal Services

Frequently Asked Questions

Related Information
- GP0800 Allowable Uses of Funds and Adherence to Cost Circulars
- GP2300 Management of Equipment Purchased with Grant Funds
- GP0500 Participant and Subgrantee Eligibility

History
Amended:
- Amended on 2/27/2015 for technical adjustments.
- Amended on 4/14/18 for grammatical and technical adjustments.