

DONATION ACCEPTANCE POLICY

Approved xxxxx

PURPOSE

The purpose of this document is to establish a policy that is consistent with the City's strategic goals for actively seeking sponsorships and donations in a transparent and accountable manner from individuals, community groups, charitable organizations, and businesses who wish to make sponsorships and donations to the City of Beaumont. Additionally, this policy will provide for uniform criteria and procedures to guide the review and acceptance of such sponsorships and donations, confirm that the City has adequate resources to administer sponsorships and donations, and ensure that the City appropriately acknowledges the generosity of the donor.

DEFINITIONS

Donation or Gift shall mean a monetary contribution, personal property, real property, equipment, tangible items, or any other asset that the City has accepted and for which the donor has not received any legal consideration in return. For purposes of this Policy, the terms "donation" and "gift" shall be synonymous.

Donor shall mean a person or legal entity that proposes or provides a donation to the City.

Endowment shall mean monetary donations that are restricted by the respective donor to the extent that only earnings, and not principal, may be expended by the City for the donor's designated or intended purposes. Such donations are restricted donations in the sense that the donor-specified purpose is to preserve the purpose of the initial donation.

In-kind donations shall mean a non-cash contribution of goods, services, or other tangible assets made to the city.

Restricted Donation shall mean monetary donations whose expenditure is restricted to a Donor-specified purpose, which may identify a particular City department, program, project, or other purpose as the beneficiary of the donation. For example: such donations may include the funds directed to support a public art initiative or to support construction of a skate park.

Sponsorship shall mean a business relationship where one party (the sponsor) provides financial support, goods, or services to another party (City event or program) in exchange for specific promotional benefits.

Unrestricted Donation shall mean a donation made to the City by a donor without any limitations or restrictions being placed upon its use.

GENERAL GUIDELINES

1. Donations do not become the property of the City until accepted by the City in a manner consistent with this Policy.
2. In the event that any City employee, volunteer, or elected official is offered a restricted donation on behalf of the City, that City employee, volunteer, or elected official shall direct the donor to provide such restricted donation directly to the Finance Department for processing. The Finance Department shall notify the City Manager's Office immediately with receipt of donation.

3. The City Manager's Office shall be responsible for authorizing acceptance of restricted donations.
4. In the event that any City employee, volunteer, or elected official is offered an unrestricted donation, they may receive the donation on behalf of the City and are required to bring the donation to the Finance Department for deposit.
5. In order to efficiently accept, expend, and account for funds donated to the City:
 - a. The City Manager's Office shall be responsible for authorizing acceptance of unrestricted donations up to the amount of \$30,000 (or equivalent value), except in the case of donations made towards the City's K9 program, with which those donations are automatically accepted.
 - b. The City Council shall be responsible for authorizing acceptance of unrestricted donations exceeding the amount of \$30,000 (or equivalent value).
6. All donations will be evaluated by the City prior to acceptance to determine whether the donation is consistent with the corresponding department or program's mandate; is in the City's best interest; and is consistent with applicable City laws, policies, ordinances, and resolutions.
7. The City has no obligation to accept any donation proposed by a donor. The City reserves the right to decline any donation if, upon review, acceptance of the donation is determined in the sole discretion of the City to not be in the best interests of the City.
8. The City does not provide legal, accounting, tax or other such advice to donors. Each donor is ultimately responsible for ensuring the donor's proposed donation meets and furthers the donor's charitable, financial, and estate planning goals. As such, each donor is encouraged to meet with a professional advisor before making any donation to the City.
9. On behalf of the City and depending on the amount of an individual donation, the City Manager, or the City Council must determine whether an expenditure of City funds, either a direct outlay of City funds or the use of City employees and materials, is associated with or required by acceptance of that individual donation prior to acceptance.
10. The donation must be used for official City business, and not for political activities or other personal business. Donations may not confer a personal benefit to any City employee or City official.
11. No undue public benefit or similar advantage is to accrue to the donor or to any person affiliated with, related to, or closely connected to the donor because of the donation.

12. A donor may restrict a donation for a particular City department, location or purpose, but not designate the City official who may use the donation.

13. If required, the City will report a donation made to the City to the Fair Political Practices Commission (FPPC) in accordance with the timelines and directives described in title 2, section 18944 of the California Code of Regulations.

14. If a donation to the City is made at an elected City official's behest from a single source in a calendar year, and the donation meets or exceeds the amount established by the FPPC, the elected City official must file a FPPC Form 803 with the City Clerk disclosing this information.

15. The City department or office administering the donation is responsible for acknowledging receipt of and thanking, on behalf of the City, the donors of donations.

16. The City shall comply with all applicable laws and regulations of the Internal Revenue Service regarding the acceptance of donations.

17. The City department or office administering the donation shall work with the Finance Director or his or her designee to determine the appropriate accounting for the donation.

18. Donors are required to advise the City if the donor is making a donation to the City on a date that falls within thirty (90) days from when the donor, or the donor's organization or company, was, is, or plans to be involved with an application for a City permit or planning approval or with responding to an active City solicitation for goods and/or services.

POLICY

Unrestricted Donations of Monetary or Tangible Items

All donations to the City shall immediately be submitted for consideration for acceptance. City staff shall review every donation and determine if the benefits to be derived warrant acceptance of the donation.

A. Unrestricted monetary donations will be deposited into the City's Other Special Revenue Fund.

Council Notification: The Finance Department shall notify the City Council on an annual basis of all accepted and rejected monetary donations received and processed.

Restricted Donations of Monetary or Tangible Items

The City Manager's Office with the support of the Executive staff will determine whether to accept or reject the donation based on whether the donation:

- is in the City's best interest and is consistent with applicable City ordinances, resolutions, and policies;
- has any special restrictions and if so, if those restrictions are acceptable to the City;
- obligates the City to make an immediate or initial City expenditure which has not been included in the approved City budget; or
- creates a new, one-time or an on-going general maintenance obligation for the City.

Donations of Real Property

The City Council shall be responsible for authorizing acceptance of donations of real property.

The City Manager's Office shall administer the donation of real property, in conjunction with any other City departments deemed appropriate.

Donations of Trust and Endowment Funds

The Finance Department shall administer donations of trust and endowment funds in accordance with Generally Accepted Accounting Principles applying the relevant Governmental Accounting Standards Board pronouncements.

In general, endowments exist to invest resources for the purpose of generating income. As such, in order for a donation to be considered for the establishment of an endowment fund at the request of the donor, the City in its sole discretion shall apply minimum dollar amount thresholds in keeping with the best interests of the City.

Sponsorships

City sponsorships must align with the agency's mission and will be presented and evaluated in a non-discriminatory manner.

The City will ensure that all sponsorship opportunities are publicly advertised and accessible to a wide range of potential sponsors.

Sponsorship agreements should be formalized through written contracts that outline the terms, benefits, and obligations of both parties.

Sponsorship revenues must be used in accordance with applicable laws, budgets, and restrictions, and should support the intended program, event, or service.

The sponsorship will be deposited with the Finance Department and accounted for in accordance with Generally Accepted Accounting Principles.

If the sponsorship involves programs funded by federal or state grants, the city will comply with additional regulations such as the Uniform Guidance for federal funds, to ensure no conflicts with grant conditions or objectives.

City of Beaumont Donation Acknowledgement Form

Finance Department

550 E 6th St

Beaumont, CA 92223

Phone: 951-572-3236

DONOR INFORMATION

Company/Individual:

Contact person:

Address:

City/State/Zip:

Phone: Email:

DONATION INFORMATION

Amount of Monetary Donation:

Stated Purpose for Donation:

Description of Gift or In-Kind Donation:

Valuation of Gift or In-Kind Donation:

Any Donor-Specified Restrictions on the Use of the Donation:

Donor Signature: Date Accepted: Signature of City Representative:

Thank you for your donation to the City of Beaumont.

The City Manager's Office/Finance Department will be in touch with you shortly.

Your generosity is appreciated.