City of Bellevue
Donation Policy & Procedures

Original Date Issued: October 1990
Revised: April 2019

Approved by: Toni Call, Director of Finance & Asset Management
Purpose Statement:

To document procedures for the acceptance of monetary and non-monetary donations received by the city.

Policy Statement:

As used in this policy, “donation” refers to any money or asset, real or personal, devised or bequeathed, with or without restriction, for municipal affairs pertaining to the City of Bellevue with no corresponding exchange of goods or services provided by the city.

Donations will be managed and accounted for in accordance with City Ordinance No. 4177 dated October 8, 1990, which authorizes the city manager or his designee(s) to accept donations on behalf of the city as allowed under RCW 35.21.100. All donations must be recorded in the Operating Grants, Donations, and Special Reserves Fund. The city manager has delegated the authority to accept donations of less than $1,500 at all authorized city sites and locations utilizing the point of sale system. The city manager has subsequently delegated the authority to accept donations of $1,500 up to $90,000 to department directors. Donations over $90,000 must be approved by the City Manager. In the event that the city manager has proclaimed a state of emergency, the Emergency Operations Center (EOC) Manager has the authority to accept donations specifically related to relief efforts.

Non-monetary donations follow the same acceptance delegation as above, based on the estimated valuation per IRS Publication 561 guidelines, up to $90,000. Prior to final acceptance of the non-monetary donation by the city, the recipient department shall notify all other impacted departments, for consideration of potential on-going costs associated with maintenance of the donated item(s). Departments impacted may include, Finance and Asset Management – Property Services Division, Information Technology, and City Attorney’s Office – Risk Management Division.

Donations to the city are deductible for the donor under IRS rules only if the contribution is solely for public purposes (for example, a gift to reduce the debt or maintain a public park) per IRS Publication 526.

Monetary donations are to be receipted and spent in the Operating Grants, Donations, and Special Reserves Fund.

The city may reject any donation, monetary or non-monetary, in which the purpose of the restriction is not reasonable or does not serve a public purpose. If the donor specifies a purpose (i.e. restricts the purpose), the donation shall be spent in accordance with the restricted purpose. If the donation is not specified by the donor to be exclusively used for a particular project or activity, the donation is not considered restricted. The City of Bellevue may use non-restricted donations for any municipal purpose. Once a donation is accepted, the city will make reasonable effort to use the donation(s) in compliance with the donor's instruction.
For donations less than $90,000, the department shall consider whether the donation has political or other newsworthy aspects to determine if the city manager should be notified. The city manager will then determine if the city council will be notified.

It is the department’s responsibility to monitor expenditures to ensure that donations are being expended in compliance with the wishes of the donors and to provide information at donor’s request. In no case will expenditures be allowed to exceed actual donated revenues collected.

This policy/procedure is not intended to substitute for existing city policies regarding donations of real property and works of art.
Procedures:

I. Accepting Monetary Donations

A. Unrestricted donations of less than $1,500\(^2\) may be accepted at all authorized city point of sale locations without a donation form; however, receipts must clearly state a donation was received.

B. A restricted donation of any amount or an unrestricted donation amount equal to or greater than $1,500 or equal to or less than $90,000, the department’s responsibility is to:

1. Receipt the donation.
2. Complete a Donation Agreement form and enclose the form in the lockable deposit bag, not in the poly bag.
3. The department fiscal manager will obtain the appropriate authorized signature, retain a copy of the completed agreement form, and distribute copies as follows:
   a. Finance & Asset Management administrative assistant
   b. The donor

4. The department fiscal manager then moves the donation amount to the appropriate GL account number in the Operating Grants, Donations, and Special Reserves Fund

C. Donations of amounts greater than $90,000, the department’s responsibility is to:

1. Receipt the donation.
2. Complete a Donation Agreement form and include in the lockable deposit bag.
3. The department’s fiscal manager will forward the Donation Agreement form, along with a copy of the receipt, to the Budget Office for review and approval. Once approved by the Budget Office, the Agreement form will be forwarded to the city manager.

4. The city manager will review and accept/reject the donation.
   a. If accepted, the city manager will sign the Donation Agreement form and send back to the department. If the city manager chooses to present the donation to city council, the department may be contacted to assist in that process. The city manager is authorized to accept all donations without council approval.
   b. If rejected, the city manager will send the Donation Agreement form to the department. The department fiscal manager will process a check request to the donor with the donation form indicating the rejection.

5. The department fiscal manager then moves the donation amount to the appropriate GL account number in the Operating Grants, Donations, and Special Reserves Fund then provide copies of the signed form to:
   a. Finance & Asset Management administrative assistant
   b. The donor

\(^2\) IRS publication 1771 requires substantiation at $250 and above.
II. Accepting Non-Monetary Donations

Non-monetary donations shall follow the acceptance procedures as listed in the previous section. All impacted city departments shall be made aware of the donation before final acceptance.

For fleet equipment, please contact Fleet Management.

For real property, please contact Property Services.

For IT goods and services, please contact Information Technology.

For non-monetary donations provided during a state of emergency, please contact the Emergency Operations Manager.

Departments shall notify Finance and Asset Management Department, Financial Services – Accounting of the donation and the estimate value if it exceeds $5,000.

III. Emergency Donations

In the event the city manager proclaims a State of Emergency then both monetary and non-monetary donation acceptance will be expedited to facilitate the city’s response to the emergency.

During an emergency event, the designated representative’s responsibility is to:
   1. Document the details of donations on the emergency donation worksheet.
   2. Record monetary donations in the appropriate project for the emergency.
   3. Notify appropriate departments, as soon as possible, of durable equipment donations.

If there is a significant surplus of non-monetary donations at the close of the emergency event, the Emergency Operations Manager may determine, in conjunction with the Finance and Asset Management Department, Financial Services - Procurement, the best course of action for disposition in accordance with city’s surplus policy.
IV. Donation Agreement Forms

The Finance Department has provided on the Finance sharepoint site, electronic form for department use.

V. Reference

**RCW 35.21.100: Donations—Authority to accept and use.**

Every city and town by ordinance may accept any money or property donated, devised, or bequeathed to it and carry out the terms of the donation, devise, or bequest, if within the powers granted by law. If no terms or conditions are attached to the donation, devise, or bequest, the city or town may expend or use it for any municipal purpose.

**IRS Publication 1771 (tax information for donors):** The IRS imposes recordkeeping and substantiation rules on donors of charitable contributions and disclosure rules on charities that receive certain quid pro quo contributions.

- Donors must have a bank record or written communication from a charity for any monetary contribution before the donors can claim a charitable contribution on their federal income tax returns.
- Donors are responsible for obtaining a written acknowledgment from a charity for any single contribution of $250 or more before the donors can claim a charitable contribution on their federal income tax returns.

For your convenience, you may use these links for [IRS Publication 561](#) and [Ordinance 4177](#).