Policy & Procedure

Subject: ACCEPTANCE OF DONATIONS

Index: FINANCE
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Number: 4.3.5
Approved by: 
Effective Date: 10/21/2002
Supersedes: 4/16/2001

1.0 PURPOSE:
To establish a policy governing the acceptance of monetary and non-monetary donations to the City.

2.0 ORGANIZATIONS AFFECTED:
All departments.

3.0 REFERENCES:
RCW 35.21.100
PMC 2901, "Donations to Puyallup Fund"
Policy 2.3.7 Acceptance of Gifts

4.0 POLICY:
The City is periodically approached by private citizens, businesses or other organizations that desire to donate cash or other items of value for public purposes. As a result, a special purpose fund has been established entitled the "Donations to Puyallup Fund" which will provide a mechanism for accounting for monetary and non-monetary donations. This Fund applies to all donations made to the City with the exception of monetary donations made specifically to the D.A.R.E. program. The D.A.R.E. program has established a fund for the collection and accounting of monetary donations.

4.1 Monetary Donations: All monetary donations, whether solicited or not, shall be considered by the City Manager and, after acceptance, deposited into the Fund by the Finance Department.

4.2 Non-Monetary Donations: All non-monetary donations, whether solicited or not, with a value greater than $25.00 and less than $500.00 must be approved by the City Manager. Any non-monetary donation with a value of $500.00 or more must be approved by the City Council.
Staff will provide the approving authority with a detailed description of the actual or estimated future costs associated with the acceptance of the non-monetary donation. Examples of these costs would include maintenance, repair, insurance, storage costs, title fees, fuel, labor, required improvements or any other cost the City would incur as a result of accepting the donation. Following approval, the donation will be added as an asset to the Fund.

4.3 **In-Kind Donation**: If an in-kind donation is to be used on a project budgeted in the year in which the donation is received, the department director/manager may approve the donation. If the in-kind donation is intended for use on a project that is not budgeted in the year in which it is received, it shall be approved in accordance with procedures for non-monetary donations.

4.4 In the event the donor has indicated a specific use by the City of their donation, such donation shall, to the extent reasonably feasible, be assigned to a project consistent with the donor’s desired use.

5.0 **DEFINITIONS:**

5.1 **In-Kind Donation**: Where services or labor are supplied for an identified project or program.

6.0 **PROCEDURES:**

Please refer to the attached rules and regulations for the “Donations to Puyalump Fund”, including the Donation Agreement and procedures for accepting donations on behalf of the City.
DONATIONS TO PUYALLUP FUND

PROCEDURES

1. When donations are presented to the City, the department receiving and managing the donation (the "assigned department") will initiate a Donation Agreement. The Donation Agreement states the type and purpose of the donation. The form should be completed to the point of the City Manager's/Mayor's approval line.

2. Identify the type of donation and approval procedure:

Monetary Donations:
If it is a monetary donation, the assigned department shall forward the original copy of the completed Donation Agreement to the City Manager for consideration. At the same time, the assigned department shall forward the original check and a copy of the Donation Agreement to the City Treasurer. The City Treasurer shall not deposit these funds until the original Donation Agreement signed by the City Manager has been received. Upon receipt of the approved Agreement, the City Treasurer shall deposit the check into the Donations to Puyallup Fund. If the donation is not approved, the City Treasurer shall return the check to the donor. A Finance Department manager will establish a new project within the Fund, if required.

Non-Monetary Donations - Value greater than $25.00 and less than $500:
If it is a non-monetary donation with a value greater than $25.00 and less than $500, the assigned department shall prepare a memo to the City Manager with the Donation Agreement which describes all relevant restrictions and on-going costs associated with the acceptance of the donation. These costs would include, but are not limited to, maintenance, insurance, storage costs, improvements, repairs, fuel, labor, signage, taxes, title fees, licensing fees, etc. Any future cost that the City would incur as a result of accepting the donation should be clearly stated in the memo.

Non-Monetary Donations - Value equal to or greater than $500:
If it is a non-monetary donation with a value of $500 or more, the assigned department shall prepare a Council Bill with the Donation Agreement which describes all relevant restrictions and on-going costs associated with the acceptance of the donation. These costs would include, but are not limited to, maintenance, insurance, storage costs, improvements, repairs, fuel, labor, signage, taxes, title fees, licensing fees, etc. Any future cost that the City would incur as a result of accepting the donation should be clearly stated in the Council Bill.

If the assigned department fails to clearly identify all related costs to be incurred by the City, the City Manager may request that the donation be returned to the original donor.
In-Kind Donations:
A donor who wishes to donate in-kind services shall complete a Donation Agreement. If the donation is for a project budgeted for the year in which the donation was received, the department director/manager may sign the Agreement. If the in-kind donation is for a project that is not budgeted, approval of the Agreement will follow the procedures outlined under non-monetary donations.

3. The City cannot take possession of or title to any non-monetary donation until it has been approved by the proper authority. After approval, title or any other paperwork associated with the non-monetary donation shall be forwarded to the Finance Department with a copy of the approved Agreement. A Finance Department manager will establish a new project within the Fund, if required.

4. Four copies of the approved Donation Agreement shall be distributed as follows:
   Copy #1 - to be retained by the City Treasurer;
   Copy #2 - to the City Clerk;
   Copy #3 - to the Donor (to be forwarded by assigned department)
   Copy #4 - to the assigned department.