

Finance Department Memorandum

Policy/Procedure No. 5

Title: City Acceptance of Monetary Donations

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Issued By: Finance

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Purpose Statement:

To document procedures for the acceptance and expenditure of monetary donations received by the City.

Policy Statement:

Donated funds 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 to accept donations on behalf of the City. The City Manager has subsequently delegated the authority to accept donations equal to or less than \$10,000 to department directors.

Donation projects in the Operating Grants and Donations Fund may be used for donations that have either a specified purpose or a general, undesignated purpose. Once a donation is accepted, the City will use donated funds in compliance with the donor's wishes.

This policy/procedure is not intended to substitute for City policies and processes in place regarding donations of real property and works of art.

Procedures:

A. Accepting Donations Equal to or Less Than \$10,000

When a donation is for an amount equal to or less than \$10,000, the department should:

1. Complete a Donation Agreement form through the "Assigned Department Signature" line.
2. If the appropriate project is not already established, send a request to General Accounting for a new project, including expenditure accounts, and an appropriate

revenue account. Note the account numbers on the Donation Agreement form if available.

3. Attach the donor's original check to the Donation Agreement form and forward it to the Treasury Division.

Note: All checks must be deposited the same day they are received. If the appropriate account is not available, Treasury will deposit the monies into a holding account until the appropriate accounts can be created.

4. The Treasury Division will deposit the money, record the Treasury receipt number and date on the Donation Agreement, and distribute the Agreement as indicated below:

Copy #1(White) -	Retained by the Treasury Division.
Copy #2 (Yellow) -	Forwarded to the Budget Office.
Copy #3 (Pink) –	Forwarded to the assigned department. This copy is then forwarded to the donor.
Copy #4 (Goldenrod) –	Forwarded to the assigned department.

Signatures from the City Manager's Office and the Budget Office are not required for donations equal to or less than \$10,000.

B. Accepting Donations Greater Than \$10,000

When a donation is for an amount greater than \$10,000, the department should:

1. Complete a Donation Agreement form through the "Assigned Department Signature" line.
2. If the appropriate project is not already established, send a request to General Accounting for a new project, including expenditure accounts, and an appropriate revenue account. Note the account numbers on the Donation Agreement form.
3. Attach the donor's original check to the Donation Agreement form and forward to the Treasury Division. Donations greater than \$10,000 require Budget Office and City Manager approval. All donations over \$10,000 are deposited into a holding account until the required approvals are granted.

Note: All checks must be deposited the same day they are received.

4. The Treasury Division will deposit the money, record the Treasury receipt number and date on the Donation Agreement form.

5. The Treasury Division will forward all copies of the Donation Agreement form, along with a photocopy of the donor's check, to the Budget Office for approval. Once approved by the Budget Office, the Agreement form will be forwarded to the City Manager for approval
6. The City Manager will accept the donation by signing the Donation Agreement form. All four copies of the form and the attached check copy will then be sent back to the assigned department.

If the City Manager chooses to present the donation to the City Council, the assigned department will be contacted to assist in that process. However, the City Manager is authorized to accept all donations without Council approval.

7. The assigned department will then move the donations monies to the appropriate account number in the Operating Grants and Donations Fund. They will also record the Treasury Receipt number and date on the Donation Agreement form, and distribute as follows:

Copy #1(White) -	Forwarded to the Treasury Division.
Copy #2 (Yellow) -	Forwarded to the Budget Office.
Copy #3 (Pink) –	Retained by the assigned department. This copy is then forwarded to the donor.
Copy #4 (Goldenrod) –	Retained by the assigned department.

C. Other Requirements

For donation less than \$10,000, the assigned department will determine if the City Manager should be notified about any donation(s) because of political considerations or other newsworthy aspect. The City Manager will determine if the City Council should be notified.

It is the assigned 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 should donors request it. In no case will expenditures be allowed to exceed actual revenues collected.

Appropriation adjustments will be brought forward by the Budget Office for Council approval periodically as required, but at least biennially. A list summarizing donations received by project will also be presented to Council at least annually.