



City of Riverside Finance Department Acceptance of Minor Donations

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Next Review Date: 07/2018
Policy Owner(s): Finance Department

Approved:

Department

City Manager

SUBJECT:

Minor Donation Acceptance Policy

PURPOSE:

To provide guidelines and an efficient and effective process for accepting gifts and minor monetary donations in a responsible, transparent, and accountable manner that is consistent with the City's goals.

POLICY:

Donation Defined

A gift or donation is defined as any item of value given to the City by a donor who expects nothing significant of value in return, other than recognition and disposition of the gift in accordance with the donor's wishes. Donation should not be confused with a Grant. Grants, contracts, and cooperative agreements are externally-funded activities in which a formal written agreement is entered into by the City and by the sponsor. A sponsored project may be thought of as a transaction in which there is a specified statement of work with a related, reciprocal transfer of something of value.

Types of Donations

Donations may be offered in the form of cash, and real or personal property.

- *Designated* donations are those donations for which the donor specifies a purpose and/or recipient.
- *Undesignated* donations are those donations that are given to the City for an unspecified, unrestricted use.

Consistency with City Interests

Designated donations may only be accepted when they have a purpose consistent with the City's goals and objectives and are in the best interests of Riverside. The City must always consider the public trust and comply with all applicable laws when accepting donations.

Acceptance of Donations by the Library and Museum

Library and Museum donations are governed by Section 808(f) of the City Charter and Section 2.12.020(f) of the Riverside Municipal Code, respectively. Pursuant to these established provisions:

- A. The Library Board of Trustees shall have the power and duty to accept money, personal property or real estate donated to the City Library for library purposes, subject to the approval of the City Council.
- B. The Board of the Metropolitan Museum shall make recommendations to the City Council in regards to acceptance or rejection of all proposed gifts of money or real property which are specifically designated for the City Museum purposes; and accept gifts of specimens and artifacts for museum use on behalf of the City, with periodic ratification of such acceptance by the City Council.

Acceptance of Donations by All Other City Departments

Acceptance of Undesignated Donations of Cash or Tangible Items

For all other City departments other than the Library and Museum, based on the value of the donation offered as outlined below, appropriate City staff shall review every donation and determine if the benefits to be derived warrant acceptance of the donation as they relate to City Council goals and objectives. The following lists the threshold amounts for donation acceptance on behalf of the City.

- A. Donations of cash or items valued at \$2,500 or below may be accepted by a Department Director or authorized representative, or in the case of elected offices by Elected Officials or their designated representatives.
- B. Donations of cash or items valued between \$2,501 and \$25,000 may be accepted by the City's Chief Financial Officer/City Treasurer, with authority to appropriate these funds and the funds in Section A in designated accounts as determined by the City's Accounting Division.
- C. Donations of cash or items valued more than \$25,000 must be accepted by the City Council. Donations valued at more than \$25,000 shall be accepted through a written agreement consistent with these guidelines and approved by the City Council.
- D. Donations for gratuitous purposes (e.g. holiday gift baskets, etc.) to any employee, division, department, agency, office, or the City shall be made available to benefit all employees.

Acceptance of Designated Donations of Cash or Tangible Items

Based on the value of the donation offer as outlined above, appropriate City staff will review the conditions of any designated donation and determine if the benefits to be derived warrant acceptance of the donation based on the donations "public good" and the goals and objectives of the City Council. Acceptance shall also take into account the potential and extent of the City's obligation to maintain, match, or supplement the donation.

Acknowledgement and Reporting of Donations

- A. A Donation Acceptance Form is required to be completed by the receiving Department Director or Elected Official and/or the Finance Department for all donations provided to the City (form attached).
- B. Acknowledgement of the donation should be in writing and be the responsibility of the Department Director or Elected Official who is the beneficiary of the donation. Undesignated donations shall be acknowledged by the Chief Financial Officer/ City Treasurer and/or the City Manager. A copy of the acknowledgement document should be forwarded to donor(s).
- C. The Donor Acceptance Form including the donor names and donation amounts are public information subject to disclosure pursuant to the California Public Records Act.
- D. Every donation received by staff for the preceding year will be compiled into a report that will be forwarded to the City Council every January following the donation year.

Declined Donations

The City of Riverside reserves the right to decline any donation if, upon review, acceptance of the donation offer is determined in the sole discretion of the City to be not in the best interests of the City.

Distribution of Donation

A. Tangible items will be distributed to appropriate City departments for use or, at the discretion of the Department Director, Elected Official or City Manager (or designee), disposed of in an appropriate manner according to this policy.

B. Donations of cash for designated purposes will be deposited into a specific trust account as assigned by the Finance Department. In order to expense the funds received, the receiving department will complete a budget journal requesting the additional revenue and expenditure appropriation. A copy of the donation acknowledgement form and deposit receipt shall be submitted with the appropriation request. Submit to the Budget & Revenue Division for processing.

C. Donations of cash for undesignated donations less than \$25,001 will be designated to the City's General Fund donation account. Undesignated donations in an amount greater than \$25,000 will be distributed at the direction of the City Council.

Donation Record Keeping

A. A copy of each Donation Acceptance Form for accepted donations shall be forwarded to the Finance Department for record keeping and the designated department for which the donation was assigned.

PROCEDURE:

Responsibility	Action
Department Head or Elected Official	Accepts donations from \$0 - \$2,500, completes Donation Acceptance Form and forwards the original to the City Clerk for filing with a copy to the Finance Department.
Receiving Department	Prepares a budget journal to request appropriation to spend donated funds in accordance with donor's wishes and submits to Budget & Revenue Division.
City Department	Prepares departmental receipt for deposit of donated funds to City Treasury. Attaches copy of donation acceptance form and any other pertinent supporting documents to departmental receipt prior to transmission to City Treasury. Obtain account code from Finance department to properly record deposit in the general ledger.
Chief Financial Officer	Accepts donations from \$2,501 - \$25,000 and completes Donation Acceptance Form and forwards copy to designated department for which the donation was assigned with the original sent to the City Clerk for filing.
Finance Department	Establishes an account number for donation. Creates separate accounts for donation as warranted.

PROCEDURE:

Responsibility	Action
Treasury	Deposits cash/checks to the appropriate account. Uses copy of the Donation Acceptance Form as a receipt.
Finance Department	Maintains a list of all donations received including donor, type of donation, amount and purpose. Every January of each preceding calendar year prepares and submits a report to City Council of donations received.

Attachments:

1. Donation Acceptance Form