

DONATIONS TO THE CITY POLICY

BACKGROUND

Donations are offered to the City of Hollywood (“City”) for general or specific purposes. Uniform criteria and procedures guide the review, acceptance, placement, and long-term maintenance of such *donations*, confirm that the City has relevant and adequate resources to administer *donations*, and ensure that the City appropriately acknowledges the generosity of the *donor*.

PURPOSE

To provide guidelines for accepting, rejecting, accounting, and spending *donations* in a responsible, transparent, and accountable manner that are consistent with the City’s Strategic Plan and in accordance with local codes and state statutes.

DEFINITIONS

For purposes of this Policy, defined terms appear in *italics*:

Donations: A contribution of cash, equipment, product, material, item, service, or any other property (real and personal) for a public purpose which has been offered to and accepted by the City.

Donor: An individual or entity making a *donation* to the City.

Restricted Donation: *Donations* designated at the *donor’s* request for a specific location or purpose.

Unrestricted Donation: *Donations* to the City without any limitations being placed upon the use.

GENERAL PRINCIPLES:

1. *Donations* become the property of the City upon formal acceptance.
2. The City Manager is authorized to accept *Donations* on behalf of the City up to a determined value of \$100,000, except that if the *Donation* is real property or an interest in real property, the City Commission must approve and accept the *Donation*. A *Donation* of real property must include a recent professional appraisal report.
3. *Donations* with a determined value of more than \$100,000 may be accepted by the City Manager but only with formal approval from the City Commission at the next available regular City Commission meeting.
4. The City has no obligation to accept any *Donation* proposed by a *Donor* and the City Manager may reject any *Donation* to the City for any reason. *Donations* that are not accepted by the City will be returned to the *Donor*.
5. The City will comply with all applicable laws and regulations of the Internal Revenue Service regarding the acceptance of *Donations*. 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. The City cannot guarantee the tax deductibility of a *Donation*, but may provide the *Donor* with a letter of acknowledgment and a statement of the City's intended use.

6. The City must determine whether an expenditure of City funds, either a direct outlay of City funds or the use of City forces and materials, is associated with or is required by acceptance of the *Donation* prior to acceptance.
7. *Restricted Donations* of money will be processed by the Department of Financial Services through special accounts established for that purpose in accordance with all current standard accounting practices. In the event the donated money cannot be disposed of in accordance with the restrictions placed upon the *Donation*, the City Manager may direct the Department of Financial Services to either return the donated money to the *Donor* or seek approval from the *Donor* to use the *Donation* as an *Unrestricted Donation*. If after reasonable diligence, the Department of Financial Services is unable to contact the *Donor*, the City may release the funds from the special account established for that purpose and place the donated money in the General Fund.
8. *Unrestricted Donations* of money shall be placed in the General Fund.
9. The *Donation* must be used for official City business and not for political activities or other personal business.
10. The City encourages the acceptance of *Donations* if the *Donation* provides a significant enhancement to the City, enhances or reduces costs the City would incur in the absence of its acceptance, or if it otherwise benefits the City in a manner that provides a net savings to the City.
11. This policy shall not apply to the sponsorships or grants received by the City for city services or special events
12. *Donations* of any kind or value shall not automatically constitute or result in naming rights. The City Manager will recognize *Donations* by a letter of appreciation to a *Donor* confirming the date, amount and purpose of the *Donation*.
13. The Department of Financial Services shall establish internal procedures and forms for the acceptance and rejection of *Donations*.

DISCLAIMERS

1. Different forms of contributions to the City present different opportunities and challenges. Therefore, it is not possible to establish blanket guidelines to cover all types of *Donation* activity that the City may decide to pursue.
2. The making of a *Donation* to the City will not provide any extra consideration to the *Donor* in relation to any City procurement, any regulatory activities of the City, or other City business. No City employee or other City official is authorized to offer any such extra consideration to a *Donor*.
3. The City will maintain ethics in fundraising activities. All *Donations* must directly enhance the City's ability to provide goods or services to the public or for another valid public purpose and may not be used for personal financial gain of any City employee.