City of Forest Park
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Policy and Procedures for Soliciting, Accepting, and Amending the Budget for Monetary Donations and In-Kind Contributions for City-Wide Events and Activities

Introduction

To be successful, City-wide events and activities often require substantial funding and resources that are beyond the capabilities of the adopted budget. To streamline and ensure transparency in the process of soliciting, accepting, and amending the budget for monetary donations and in-kind contributions, a clear set of processes, policies, and procedures should be established. This document outlines the recommended framework to manage donations from businesses and private citizens effectively.

Processes for Soliciting Donations

Planning and Strategy

Needs Assessment: Identify the specific needs for the event or activity, including budgetary requirements and potential in-kind contributions.

Donor Segmentation: Categorize potential donors into groups such as local businesses, corporate sponsors, private citizens, and philanthropic organizations.

Outreach Plan: Develop a comprehensive outreach strategy including methods such as direct mail, email campaigns, social media engagement, and personal solicitations.

Engagement Materials

Donation Proposals: Create detailed proposals outlining the event/activity, its impact, and the benefits to donors. Include sponsorship levels and associated recognition opportunities.

Case for Support: Develop a compelling narrative that explains the importance of the event/activity and the positive outcomes expected from donor contributions.

Solicitation Execution

Personalized Requests: Tailor solicitation requests to align with the interests and giving capacity of each donor segment.

Follow-Up: Implement a follow-up plan to engage potential donors and address any questions or concerns they may have.

Policies for Accepting Donations

Acceptance Criteria

Eligibility: Define criteria for accepting donations, ensuring alignment with city values and event goals. Seek approval from the governing body to accept donations and contributions that are anticipated based on the needs assessment.

Approval Process: In advance of the solicitation and based on the needs assessment, the request for council approval will be routed through the City Manager for inclusion on the appropriate agenda. Language to authorize the Finance department to simultaneously amend the budget should be included.

Transparency and Accountability

Disclosure: Clearly communicate the nature and purpose of donations to ensure transparency.

Acknowledgment: Provide formal acknowledgment to donors, including receipts and public recognition where appropriate.

Conflict of Interest: Implement policies to manage any potential conflicts of interest that may arise from accepting donations.

2.3 Legal and Ethical Considerations

Compliance: Ensure compliance with all relevant laws and regulations governing charitable donations and sponsorships.

Ethical Standards: Adhere to high ethical standards to maintain public trust and ensure fair treatment of all donors.

Procedures for Amending the Budget

Request for Amendments

Submission: The budget amendment will follow the established procedure for submitting budget amendment requests and transfers, including necessary documentation and justification for changes. If presented, during the council meeting, the council approval will suffice for documentation.

Approval and Implementation

Approval Authority: The Finance Director will be responsible for assuring that budget amendments are presented for approval.

Implementation: The Tyler ERP system will be updated to reflect the increase in revenue and the related increase in expenses to maintain a balanced budget.   The approved amendments will be communicated to all relevant parties, including donors and event organizers.

Documentation and Reporting

Record Keeping: Maintain detailed records of all budget amendments, including the rationale for changes and approval documentation in the Tyler ERP System.

Reporting: Provide regular reports on budget amendments and their impact on the event/activity to stakeholders and donors.

Monitoring and Evaluation

Performance Monitoring

Tracking Donations: Monitor and track all donations and in-kind contributions to ensure they are used as intended.

Financial Review: Conduct regular financial reviews to ensure budget adherence and address any discrepancies.

Impact Evaluation

Assess Outcomes: Evaluate the impact of donations on the success of the event/activity.

Feedback: Collect feedback from donors and participants to improve future solicitation and acceptance processes.

Communication and Public Relations

Donor Recognition

Acknowledgment Plans: Develop and implement plans for recognizing and thanking donors publicly.

Event Visibility: Ensure that donor contributions are prominently acknowledged during the event/activity.

Public Reporting

Transparency: Provide regular updates on the event/activity's financial status and the role of donations in its success.

Success Stories: Share success stories and positive outcomes resulting from donor support to encourage future contributions.

Conclusion

Implementing structured processes, policies, and procedures for soliciting, accepting, and amending the budget for monetary donations and in-kind contributions will enhance the effectiveness and transparency of fundraising efforts for city-wide events and activities. By adhering to these recommendations, the city can foster positive relationships with donors, ensure ethical management of funds, and ultimately achieve the goals of its events and activities.

This framework should be reviewed periodically to ensure it remains effective and aligns with any changes in regulations or city priorities.

Finance Department
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