

<h1 style="text-align: center;">City of Pahokee</h1>	Date Issued: 05/10/2025
<h2 style="text-align: center;">DONATION POLICY DIRECTIVES AND PROCEDURES</h2>	
SUBJECT: Donation Receipt Policy	Approved: City Commission
<p><u>BACKGROUND</u></p> <p><i>Donations</i> of various types are offered to or solicited by the City of Pahokee for general or designated purposes. Uniform criteria and procedures are necessary to guide the review and acceptance of <i>donations</i>, confirm that the City has pertinent and adequate resources to administer <i>donations</i> received, and ensure the City appropriately accounts for donated funds and efforts.</p> <p><u>PURPOSE</u></p> <p>The purpose of this policy is to establish a formal process for acceptance/rejection and documentation of <i>donations</i> made to the City. This policy provides guidelines for the City Manager and City officials for accepting/rejecting donations in a responsible, transparent, and accountable manner that is consistent with the City appropriately accounts for donated funds and property.</p> <p><u>SCOPE</u></p> <p>This is a City-wide policy and applies to all authorized city staff and departments that accept donations on behalf of the City and in support of public services.</p> <p><u>POLICY</u></p> <p>It is policy of the City of Pahokee to consider the acceptance of monetary and non-monetary donations from private citizens, residents, business groups or other organizations. Donations with no restrictions or specified use, can be used for the purpose for which a solicitation was intended. If not restricted or solicited for a specific use, the City can use as it deems appropriate.</p> <p><u>DEFINITIONS</u></p> <p>Defined terms used in this Policy appear in italics. For the purpose of this Policy:</p> <p><i>Beneficiary Department</i> shall mean the Department or Office of the City for which the <i>donation</i> is designated or intended. The Office of the City Manager shall act as the <i>Beneficiary Department</i> if no department or office is designated or intended.</p>	

Donation shall mean a monetary (cash) contribution, endowments, personal property, real property, equipment, in-kind goods or services, or any other asset that the city has accepted and for which the donor receives nothing in exchange.

Donor shall mean a person or legal entity that proposes or provides a *donation* to the City.

Designated Donation shall mean *donations* at the donor's request for a City department, location, or purpose.

Undesignated Donation shall mean a *donation* to the City without any limitations placed upon its use.

GENERAL PRINCIPLES

1. This Policy is intended to guide the manner in which City staff accepts *donations* on behalf of the City.
2. *Donations* do not become the property of the City until accepted by the City consistent with this Policy.
3. Only City officials and staff authorized by this Policy may accept *donations*.
4. The City has no obligation to accept donations proposed or provided by a *donor*.
5. All donations will be evaluated by the City prior to its acceptance to determine whether the *donation* is in the City's best interest and is consistent with applicable State laws, City code, policies, ordinances, and resolution.
6. The City does not provide legal, accounting, tax or other such advice to *donors*. Each *donor* is ultimately responsible for ensuring their proposed or provided *donation* meets their charitable, financial, and estate planning goals, as such, each *donor* is encouraged to meet with the requisite professional before making any *donation* to the City.
7. The City must determine whether an expenditure outlay of City funds, direct or indirect, is associated with the acceptance of the *donation* prior to accepting it.
8. The *donation* must be used for official City business, and not related to political activities or personal business.
9. A *donor* may designate a *donation* for a City department, location or purpose. Donations cannot be designated to a City official who may use the *donation*.
10. The City shall comply with all applicable laws and regulations pertaining to the acceptance of *donations*.
11. The Finance Department will determine and establish the proper accounting for the *donation* in the City's accounting system.
12. The Finance Department will establish appropriations in accordance with applicable City ordinances.
13. No donation shall be accepted if proposed by a person or entity that intends to bid on an active procurement opportunity for the City or within one year of the procurement opportunity becoming available.

PROCEDURE

1. **TYPES OF DONATIONS** – *Donations* may be received in the form of checks, real or personal property. Donations may also be in the form of volunteer efforts provided the activity is approved by the City's insurance carrier in advance. *Donations* may be designated or undesignated. Designated *donations* are those that the *donor* specifies a City department, location, or purpose. Undesignated *donations* are those without any restrictions placed on their use.

2. CONSISTENCY WITH CITY OBJECTIVES – Designated *donations* may only be accepted when its purpose is consistent with the City’s goals and objectives and in the best interest of the City. The City will always consider the public trust and comply with all applicable laws when accepting *donations*.

3. RECEIPT AND ACKNOWLEDGEMENT OF DONATIONS – The receipt of all donations to the City must be documented by the mandatory use of the following forms:

- a. Donation Agreement Form – The City shall create a donation agreement form whenever a donation request is made (attached as Exhibit “A”). Use this form to document, receive and acknowledge all *donations*. A copy of the Donation Agreement Form must be provided to the *donor*. This form serves as written acknowledgement and receipt of a *donation for the purposes of the Internal Revenue Service (IRS)*.
- b. Donation Acceptance Form (attached as Exhibit B) – This form is used for internal processing of *donations*.

For monetary *donations*, a copy of both forms must accompany the recording of the transaction. In the case of the *donation* of tangible items, both forms must be submitted to the Finance Director for processing and recording.

4. ACCEPTANCE OF UNDESIGNATED DONATIONS OF CASH OR TANGIBLE ITEMS: - All *donations* to the City must be officially accepted. *Donation thresholds have been established to outline the level of personnel and officials that can accept donations*. The following thresholds must be observed. The following City officials and/or staff have the authority to accept *donations* on behalf of the City.

- a. *Monetary donations* or items valued at \$500 or less may only be accepted by the *Beneficiary Department* Director once logged with the Finance Department and approved by the City Manager in written form.
- b. *Monetary Donations* or items valued more than \$500 up to \$10,000 must be accepted by the City Manager once logged with the Finance Department.
- c. *Donations with a value of more than \$10,000* must be accepted by the City Commission. When there is doubt as to the value of a donation, the donation must be accepted by the City Commission.
- d. All donations, of any kind, must be reported to the Finance Department within twenty-four hours of receipt and a written report shall be prepared for the City Commission on a quarterly basis.
- e. Offers of *donations* for gratuitous purposes (e.g. holiday gift baskets, etc.) to any employee, department or the City shall be made available for the benefit of all employees.
- f. Offers for in-kind labor shall be approved by the City Commission and the City’s approved insurance carrier.

5. ACCEPTANCE OF DESIGNATED DONATIONS: - Based on the value of the *donation* as outlined in Section 4 above, the City Manager, or designee, will review the conditions of any designated

donation and determine whether the benefits to be derived warrants acceptance of the *donation*. Criteria for the evaluation shall include, but is not limited to:

- a. Considering whether any expenditure is required to accept the *donation*.
- b. The potential and extent of the City's likely obligation to maintain, match, or supplement the *donation*.

6. **DECLINED DONATIONS** – The City of Pahokee reserves the right to decline any *donation* if, upon review, acceptance of the *donation* it is determined not to be in the best interest of the City. Such *donations* include those which are limited by special restrictions, conditions or covenants, that pose significant expenditure or maintenance on the part of the City or in the opinion of staff authorized by section 4 of this policy to accept *donations*, it is deemed inappropriate for acceptance in the best interest of the City.

Donations that may potentially result in significant, ongoing operational and maintenance expense by the city or legal liability for the city, must be rejected unless the *donor* agrees to be wholly responsible for any anticipated cost of said operations and maintenance or indemnify the City for the *donation* for a period of not less than five years.

7. **ASSIGNMENT OF DONATION** – Donations will be assigned as follows:

- a. Designated *donations* of tangible items will be assigned to the *intended Beneficiary Department*.
- b. Undesignated *donations* of tangible items will be assigned to an appropriate City department for use or, at the discretion of the City Manager, disposed of in an appropriate manner per City policy.
- c. Designated monetary *donations* will be deposited into the appropriate revenue account for the designated City department and/or project.
- d. Undesignated monetary *donations* will be assigned in the discretion of the City Manager.

8. **RESTRICTIONS ON THE ACCEPTANCE OF GIFTS AND DONATIONS TO EMPLOYEES AND/OR ELECTED OFFICIALS** – Employees and Elected Officials of the City of Pahokee are required to be objective and fair in dealing with the public, persons or firms doing business with the City. They must observe all applicable laws, Code of Ordinances and City policies pertaining to the acceptance of gifts and *donations*. Applicable laws include but not limited to Section 112.313, Part III of the Florida Statutes, and applicable Palm Beach County Code of Ordinances, as amended.

- a. Employees are prohibited from soliciting or accept gifts or gratuities for the performance of their City job responsibilities.
- b. City officials and employees are prohibited from directly or indirectly soliciting, accepting, or attempting to accept any money, fee, credit, gift, gratuity, object or value, or compensation of any kind which the official or employee knows, or has reason to know, is being offered:
 - To improperly obtain favorable treatment;

- With the intent to influence the official or employee in the discharge of their official duties
- As consideration for having exercised official powers or performed official duties.

9. ACCOUNTING AND BUDGETING – The City Manager shall oversee a process to ensure that the Finance Department sets up and tracks donated funds.