



# **City of Hot Springs Donation and Gift Policy**

Adopted December 7, 2015

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## **SECTION 1: PURPOSE**

The purpose of this policy is to establish a formal process for acceptance and documentation of donations made to the City of Hot Springs. This policy provides guidance when individuals, community groups, and businesses wish to make donations to the City. This policy also establishes the standards for City employees and City officials regarding the acceptance of gifts during the performance of City business.

## **SECTION 2: TYPES OF DONATIONS**

Donations may be offered in the form of cash, real or personal property. Designated donations mean those that the donor specifies for a particular City department, location, or purpose. An undesignated donation means those donations that are given to the City for an unspecified use.

## **SECTION 3: 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 interest of Hot Springs. The City must always consider the public trust and comply with all applicable laws when accepting donations.

## **SECTION 4: ACCEPTANCE OF UNDESIGNATED DONATIONS OF CASH OR TANGIBLE ITEMS**

All donations to the City, including offers to employees related to the City, shall immediately be submitted for consideration for acceptance. 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 the acceptance of the donation. The following points list the threshold amounts for donation acceptance:

1. Offers of donations of cash or items valued at \$500 or below may be accepted by a Department Head
2. Offers of donations of cash or items valued more than \$500 and up to \$5,000 may be accepted by the City Administrator
3. Offers of donations of cash or items valued more than \$5,000 must be accepted by the City Council. Donations valued at more than \$5,000 shall be accepted through a written agreement consistent with these guidelines and approved by the City Council.
4. Offers of donations for gratuitous purposes (e.g. holiday gift baskets, etc.) to any employee, department or the City shall be made available to benefit all employees.

## **SECTION 5: ACCEPTANCE OF DESIGNATED DONATIONS OF CASH OR TANGIBLE ITEMS**

Based on the value of the donation offer as outlined in Section 3 above, appropriate City staff or Council will review the conditions of any designated donation and determine if the benefits to be derived warrant acceptance of the donation. Requirements for accepting donations or gifts:

1. The donation or gift must have a purpose consistent with City goals and objectives
2. The City may decline any donation or gift without comment or cause
3. The donation or gift will not be in conflict with any provision of the law
4. Any non-cash donation or gift will be aesthetically acceptable to the City
5. The donation or gift will not add to the City's workload unless it provides a net benefit to the City
6. The donation or gift will not bring hidden costs such as starting a program the City would be unwilling to fund when the donation is exhausted
7. The donation or gift places no restrictions on the City, unless agreed to by the Council
8. All donations or gifts will receive recognition appropriate to the level and nature of the donation, as determined by the City. For those of a capital nature, that may be in the form of signage, marking, naming, or any other means the City should deem appropriate. Regardless of the recognition strategy selected, the intent shall be to appropriately honor the donor for their contribution to the community

## **SECTION 6: ACKNOWLEDGEMENT OF DONATIONS**

1. A Donation Acceptance Form is required to be completed by the receiving Department Head or the City Administrator for all donations provided to the City (form attached).
2. Acknowledgement of the donation should be in writing and be the responsibility of the Department Head who is the beneficiary of the donation. Undesignated donations shall be acknowledged by the City Administrator. A copy of the acknowledgement agreement shall be provided to the donors.
3. The Donor Acceptance Form including the donor names and donations amounts are public information subject to disclosure pursuant to the South Dakota Codified Law Chapter 1-27

## **SECTION 7: DECLINED DONATIONS**

1. The City of Hot Springs 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 not be in the best interests of the City. A declined donation may be one that would violate the requirements of Section 5.

## **SECTION 8: DISTRIBUTION OF DONATIONS**

1. Tangible items will be distributed to appropriate City departments for use or, at the discretion of the Department Head or City Administrator, disposed of in an appropriate manner according to this policy.
2. Donations of cash for designated donations will be deposited into the appropriate revenue account for the designated City department. A minimum designated donation of \$250 is required, as the City is required to draft, publish and approve a supplemental appropriation ordinance, which creates an expense to the City. The supplemental appropriation ordinance provides the budget authority to expend the funds in the current calendar year to satisfy the donors' designated purpose.
3. Donations of cash for undesignated donations will be deposited into the City's general fund unless otherwise determined by a majority of the council through a formal motion.

## **SECTION 9: DISSEMINATION OF INFORMATION**

1. A copy of each Donation Acceptance Form for accepted donations shall be forwarded for information to the City Council by the City Administrator.
2. A copy of each Donation Acceptance Form for accepted donations shall be forwarded for information to the Finance Department and the designated department for which the donation was assigned.
3. Each original Donation Acceptance Form shall be maintained by the City Administrator.

## **SECTION 10: ACCEPTANCE OF GIFTS TO EMPLOYEES AND/OR ELECTED OFFICIALS OF THE CITY**

1. Employees and officials of the City of Hot Springs are required to be objective and fair in dealing with the public and persons or firms doing business with the City. Employees shall not solicit or accept gifts or gratuities for the performance of their City job responsibilities.
2. No City official or employee shall directly or indirectly solicit, accept, or attempt to accept any money, fee, credit, gift, gratuity, object of value, or compensation of any kind which the official or employee knows, or has reason to know is being offered:
  - a. For the purpose of improperly obtaining or rewarding favorable treatment
  - b. With interest to influence the official or employee in the discharge of official duties or;
  - c. In consideration of having exercised official powers or performed official duties
3. Anonymous gifts shall be delivered to the City Administrator for appropriate disposition
4. This policy does not prohibit a City official from accepting anything of value by way of a gift when such as a gift is made to and accepted on behalf of, the City of Hot Springs. All such gifts to the City shall be forwarded to the City Administrator for compliance with this policy whenever possible; the City Administrator will ensure that all such gifts are shared by all City staff. An example of such gifts would be those received during holiday periods.