

Salem City Council - DONATION POLICY

Section 1. Purpose and Scope

The purpose of this policy is to establish a formal process for acceptance and documentation of donations made to the City. 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 other City public officials regarding the acceptance of gifts on behalf of the City. Grants are not subject to this policy and are governed by Resolution No. 2017-24.

Section 2. Definitions

Affiliated nonprofit means the Friends of Center 50+, Salem Fire Foundation, Salem Police Foundation, Salem Public Library Foundation, or other nonprofit entity legally organized for the public benefit of a City program or service.

City means City of Salem, Urban Renewal Agency, or Housing Authority.

City public official means City, Urban Renewal Agency and Housing Authority elected officials, appointive officials, volunteers and employees.

Donation includes both *designated donations* and *undesignated donations*.

Designated donations means those donations that the donor specifies for a particular City department, location, purpose, or use.

Undesignated donations means those donations that are given to the City without restriction.

Section 3. Types of Donations

Donations may be offered in the form of cash, real property, personal property or personal services beyond individual volunteer work, or a combination thereof. Volunteer work for the City is not considered a donation for purposes of this policy.

Section 4. Consistency with City Policy

Designated donations may only be accepted when they have a purpose consistent with City policy and are in the best interest of the City and the public. The City may decline

any donation if, in its sole discretion, it determines that acceptance of the donation is not in the best interests of the City or the public.

Section 5. Donations subject to the Salem Revised Code.

This Policy is subject to the Salem Revised Code, which provides procedures and guidelines for donations to specific City programs, including Public Art, Historic Preservation, Pioneer Cemetery, the Salem Public Library, and Center 50+, and real property generally. Donations of real property is subject to Salem Revised Code (SRC) chapter 20K.

Section 6. Acceptance of Undesignated Donations

All offers of undesignated donations to the City shall immediately be submitted to the appropriate official as set forth in this section for consideration. Based on the value of the donation as set forth in this section, appropriate City officials shall review every donation and determine if accepting an undesignated donation is consistent with this policy.

- A. Offers of donations of cash or items valued at \$5,000 or below may be accepted by a Department Director or designee.
- B. Offers of donations of cash or items valued more than \$5,000 and up to \$500,000 may be accepted by the City Manager.
- C. Offers of donations of cash or items valued more than \$500,000 must be accepted by the City Council.
- D. Donations of cash or items valued at more than \$5,000 shall be accepted through a written agreement consistent with these guidelines and approved by the City Attorney.
- E. Donations must be to the City, Urban Renewal Agency, or Salem Housing Authority and not individual or groups of City public officials.

Section 7. Acceptance of Designated Donations

Designated donations with an estimated value of \$500,000 or below may be accepted by the City Manager, unless acceptance and implementation of the donation requires some other council action, such as adding positions to the budget or other actions requiring council approval. Designated donations with an estimated value above \$500,000 may only be accepted by the City Council.

Designated donations may be accepted if the City determines acceptance is in the best interest of the City and the public based on the following factors:

- A. Is the intended purpose of the donation consistent with or further the objectives an adopted City policy;
- B. Is an expenditure of City funds required to accept the donation;
- C. Will the donation create an ongoing obligation for the City to maintain the purpose of the donation or place an undue administrative burden on the City;
- D. Is the City obligated to maintain, match, or supplement the donation;
- E. Does the donation appear to reward, influence, or impair the judgment of any City public official in the performance of the official's duties, and; *
- F. Does the donation appear to encourage special consideration, treatment, advantage, privilege, or exemption for the donor or other third party.*

* State ethics law and the City Ethics Code requires all public officials to perform their duties for the benefit of the public. They are required to observe the highest standards of morality and to discharge their duties regardless of personal consideration, and are prohibited from providing any special consideration, treatment or advantage to anyone beyond that which is available to the general public. SRC 12.020 & 12.040.

Section 8. Affiliated Nonprofits

The City cooperates with nonprofit entities whose stated purpose is the support of specific City programs or services, including the Salem Public Library Foundation, the Salem Police Foundation, the Salem Fire Foundation, and Friends of Center 50+.

- A. Donations received from an affiliated nonprofit for the general use of the specific program or service associated with the nonprofit shall be considered as undesignated donations under this Policy for purposes of acceptance.
- B. Donations from affiliated nonprofit entities that designate a specific use beyond the general use of the program or service shall be considered as designated donations under this Policy for purposes of acceptance.

Section 9. Acknowledgement of Donations

- A. Acknowledgment of a donation shall be completed for all donations if requested by the donor.
- B. Acknowledgement of the donation should be in writing and be the responsibility of the Department Director whose department is the beneficiary of the donation.

- C. A copy of the acknowledgement shall be forwarded to the donor.
- D. If the donor has requested anonymity or otherwise conditioned the donation on remaining anonymous, the form shall be clearly marked "confidential." Disclosure of information or records regarding a donation, including the identity of a donor, is subject to the requirements of Oregon Public Records law.
- E. The City will reasonably cooperate with a donor to facilitate acknowledgment of a donation sufficient to allow the donor to claim the donation on their taxes as may be allowed by law.

Section 10. Anonymous Donations.

There are two categories of anonymous donations:

- A. Offers of donations where the City knows the identity of the donor(s), but the donor(s) wish that their identity remain confidential to the public, or
- B. Offers of donations from anonymous sources where the City does not know the identity of all or some of the donors.

The City may accept either category of anonymous donations, applying the standards and guidelines in this Policy generally for accepting donations.

The City may accept a donation from a donor, whose identity is known by the City but desires their identity to remain confidential to the public. The City and the donor shall execute a written non-disclosure agreement in a form approved by the City Attorney prior to the City accepting the donation. Disclosure of information or records regarding a donation, including the identity of a donor, is subject to the requirements of Oregon Public Records law.

Section 11. Distribution of Donations

- A. Tangible items will be distributed to appropriate City departments for use or, at the discretion of the Department Director or City Manager, disposed of in accordance with applicable law.
- B. Donations of cash for designated donations will be deposited into the appropriate accounts as determined by the City Finance Department.
- C. Donations of cash for undesignated donations will be deposited into the City's General Fund. Undesignated donations from affiliated non-profits shall be deposited in the applicable Trust and Agency account.

Section 12. Acceptance of Gifts to City public officials

- A. City public officials are subject to Oregon and City public ethics law concerning acceptance of gifts and use of official office and are prohibited from soliciting or accepting a gift or other remuneration other than provided by the City as compensation for the performance of duties.
- B. Cash gifts received by the City shall be deemed as accepted on behalf of the City and shall be delivered to the Finance Department to be receipted.
- C. Tangible, non-cash gifts, such as gift baskets or other items shall be deemed as accepted on behalf of the City and shall be provided to the public on an equal basis as employees, donated to an area non-profit, or disposed of in accordance with the law.