

RESOLUTION NO. 2019-R-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAREDO ADOPTING A DONATION ACCEPTANCE POLICY.

WHEREAS, individuals, community groups, and businesses may wish to make donations to the City in either cash or in-kind contributions that enhance projects, facilities, and programs; and

WHEREAS, the need for projects, facilities, and programs exceeds the City's ability to fund all such needed projects; and

WHEREAS, it is an acceptable and appropriate practice to accept donations, in order to enhance City programs and/or facilities to provide a higher level of service to the public.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS THAT:

The Laredo City Council hereby accepts and approves the Donations Acceptance Policy attached hereto as **Exhibit A**.

CONSIDERED AND RESOLVED on this the day of _____ of _____ **2019**.

PETE SAENZ
MAYOR

ATTEST:

JOSE A. VALDEZ, JR.
CITY SECRETARY

APPROVED AS TO FORM:

BY _____
KRISTINA LAUREL HALE

EXHIBIT –A-



CITY OF LAREDO DONATION ACCEPTANCE POLICY

I. Policy & Purpose

Donations allow citizens to make valuable contributions to the City of Laredo and should be encouraged. This Donation Acceptance Policy seeks to encourage and support departments in the development of partnerships with individuals, community groups, and businesses willing to financially assist the City with the enhancement of projects, facilities, and programs for the benefit of the public at large.

II. General Rule

Persons, community groups and business entities making donations to the City should not expect in return any reward, reciprocal benefit, or influence. It is a violation of Section 2.03 (a) of the Laredo Ethics Code for a person or entity to knowingly offer, or for any city official, employee, or department to solicit, accept, or agree to accept, any form of donation to the City that reasonably tends to influence or reward official conduct or that is knowingly intended to influence or reward the discharge of official duties.

III. Definitions

(A) **Donations:** a contribution made to the City *without* expectation of goods, services, or significant benefit or recognition in return. Donations may be in the form of money or in-kind contributions of products, services, investment securities, real property (land), or any combination thereof. A donation or grant may be unrestricted, where the donor has placed no limitation on its use, or restricted, where the donor has restricted its use to a specified purpose or placed other conditions. Donations that, if accepted, would obligate the City to enter into a service, procurement, or other agreement shall not be considered a donation.

(B) **Donor:** Any organization or individual who provides the City with a donation.

(C) **Donation Agreement:** An agreement between the City and the donor that details any restrictions on a donation as well as the respective obligations of the donor and the City.

(D) Fundraising: Any activity conducted with the intent of generating donations to the City. Fundraising activities may include, but are not limited to, promoting giving, program adoption or pledge drives, and contacting individuals, companies, foundations, or other entities with a request for a donation to the City.

IV. General Provisions

(A) The City welcomes donations that enhance City services, reduce costs that the City would incur in the absence of the donation, or that otherwise provide a benefit to the City. The City may decline any donation without comment or cause.

(B) The net benefit of a donation should be considered when determining whether to accept a donation. Net benefit includes all lifecycle costs of ownership, including maintenance, repair, clean-up, administrative, and any potential liability or expenses that may be associated with the donation.

(C) Any Department considering acceptance of a donation shall consult with other departments that could be affected by acceptance. For example, other departments may incur costs to provide management, support, maintenance, and repair or enforcement activity in relation to a donation.

(D) Donations must not be in conflict with any provision of the law and have a purpose consistent with City goals and objectives. Donation shall become property of the City.

(E) Donors shall not expect, nor shall the City grant, any extra consideration to the donor in relation to City procurement, regulatory matters, or any other business, services, or operations of the City.

(F) Donations must be directly related to providing goods or services to the public or for another valid public purpose. Donations may not be used for personal financial gain of any City elected or appointed official or employee.

(G) Donations must not add to the City's workload unless it provides a net benefit to the City. Donations should not bring hidden costs such as starting a program that City would be required to fund when the donation was exhausted.

(H) Donations shall not place any restrictions on the City unless agreed to in advance by the City Council.

(I) Donations, when applicable, shall 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, or naming. Any naming of Parks and Recreation facilities shall be consistent with City policy on the naming of such facilities. Regardless of the recognition strategy selected, the intent shall be to appropriately honor the donor for their contribution to the community. The appearance of traditional commercial advertising should be avoided.

(J) Donations exceeding \$5,000 shall be accepted through a written agreement consistent with these guidelines and approved by the City Council. In-kind capital donations will be subject to normal City review, permitting, inspection, and insurance requirements.

V. Authority to Accept Contributions

(A) The City may accept donations that reduce costs and that are directly related to any valid municipal public purpose.

(B) The City Manager is authorized to accept donations not exceeding \$50,000 in value. The City Council must accept donations of greater than \$50,000.

(C) If donations constitute additional receipt of funds, the revenue must be approved by Council via an amended budget.

(D) Upon notification of funds, Financial Services will create a revenue and expense line item to receive and expend funds.

(E) It will be the responsibility of the respective Department Director to ensure that proper City officials are informed of donations, and that such contributions are properly acknowledged, that timely reports are made, and that proper recognition is afforded the donor.

VI. Recognition may include the following:

(A) Placement of logos and/or company names in signage and publicity, including press releases and materials posted on social media and/or websites maintained by the City.

(B) Certificates, plaques / memorials affixed on a donated item, on a Donor wall, on a paving stone or memorial bench.

(C) Public recognition and thanking of contributors by the City Council or City Staff at public meetings, events.

(D) Other acknowledgements, public or private, including media release and online recognition.

(E) Naming Rights and any other recognition if approved by Council.

VII. Accounting and Record Keeping

(A) Donations should be documented to ensure transparency of government, enable measurement of the value and usefulness of the donation, and allow for audits.

(B) City officials, employees, and departments receiving a donation to the city of money, real estate, products, services, or property shall report the donation to the City Manager or the City Manager's representative on a designated form. The report must include the date of the donation; the identity of the person or business entity making the donation; the city official, employee, or

department receiving the donation; a description of the donation; the estimated monetary value of the donation; the intended use of the donation; and the actual use of the donation. The report must be filed within 30 days after receipt of the donation. This report is required in addition to any other documentation required for the donation. These records shall maintained be kept up-to-date and accurate by both the receiving Department and the Finance Department.

(C) The individual or Department that receives the donation is responsible for reporting the donation. Reporting is not required for donations to the city of money, real estate, products, or services with a monetary value of less than \$1,000, except that reporting is required for donations from a single source in a single year with a cumulative value of \$1,000 or more.

(D) Donations, grants, or sponsorships paid for with a monetary contribution shall not be paid to staff in cash.

(E) For long-term or complex projects and projects involving professional services, an agreement should be drafted to document the scope of goods or services to be donated and to document which party retains ownership of intellectual property. If a donation will lead to city expenditures, expenditures should go through the procurement process if required by city code or state law.

(F) Any accepted donation, grant or sponsorship which would obligate the City to enter into a service or procurement agreement shall be reviewed under the City procurement process and shall not be considered a donation.

(G) City employees who have primary responsibility for the procurement of services, supplies, materials and equipment and/or Finance Departments, are prohibited from directly or indirectly engaging in any form fundraising solicitations.

VIII. Disclaimers

(A) The City encourages donations and grants of materials with the understanding that such items have a useful life, and that the City assumes no responsibility for replacement or upkeep. Once a contribution is accepted, it becomes City property and the City may maintain, replace or dispose of the item unless the Donation is explicitly restricted.

(B) The City cannot guarantee the tax deductibility of a donation, but may provide the donating party with a letter of acknowledgement and a statement of the City's intended use.