

COUNCIL POLICY MANUAL

Policy 7.1.5 Grants, Donations, Contributions and Sponsorships

POLICY PURPOSE:

Allow the solicitation of donations, contributions and sponsorships, as well as the submittal of applications for grant monies, to support City programs, events and services.

POLICY STATEMENT:

1. The City Manager may accept or reject donations, contributions and sponsorships, both solicited and unsolicited, of money, equipment and in-kind contributions to City Departments or the City in general up to \$250,000, so long as they do not require a local match which is not already budgeted, or obligate the City to ongoing expenses not already included in the City's Resource Allocation Plan. Donated funds will be expended for the specific purpose as agreed upon with the donor or for general purposes, as one-time supplements to the department's operating budget. Donations of equipment will be considered based on program outcomes, department goals and needs, maintenance costs and replacement costs. The donor must be informed in writing if the equipment is not to be replaced.
2. The City Manager may apply for grants of any dollar amount but shall notify the Council when grants are being pursued pursuant to Council Policy 7.1.1 (Fiscal – Long Range Goals and Financial Policies), B.4. (Grants and Intergovernmental Assistance). The City Manager may accept and appropriate grant funds up to \$250,000 that do not require an unbudgeted local match or obligate the City to any unplanned ongoing expenses, through an administrative budget modification. Any grants of \$250,000 or more, or that require an unbudgeted local match or obligate the City to unplanned ongoing expenses, shall require Council approval of a budget modification before funds can be expended by staff. The budget modification shall include the use to which the grant will be placed; the objectives or goals of the City that will be achieved through use of the grant; the local match required, if any, plus the source of the local match; any increased cost to be locally funded upon termination of the grant; and the ability of the City to administer the grant.
3. For donations, contributions or sponsorships with values of \$100,000 or more, as estimated by the donor, a Report to Council will be written outlining its purpose and the advantages and disadvantages prior to acceptance. Authority to accept any such donation, contribution or sponsorship shall rest with the City Council. For monetary donations, it will be stated in the Report to Council if the gift is a one-time contribution for a specific purpose or a contribution where the principal could be invested and the interest used to support all or part of a special project or program for a number of years.
3. 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

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intended use. The City cannot validate the donor's estimate of the fair market value of a non-cash donation.

4. There should be no expectation of any benefit or service associated with a donation or sponsorship other than for the specified/express purpose of the donation or sponsorship.
5. The City will not apply for grants, undertake sponsorships or accept contributions that:
 - A. Require the City's written or spoken endorsement of commercial products, services, companies or individuals;
 - B. Limit the City's ability to carry out its functions fully and impartially;
 - C. Result in additional ongoing operating costs for which a funding source has not been identified and approved by Council;
 - D. Restrict access to the City's event by the widest audience possible;
 - E. Personally benefit individual City employees;
 - F. Result in conflicts of interest;
 - G. Expect City staff or policy makers to return the favor through action on a City program or policy (recognition appropriate to the level of contribution would not be considered as "returning the favor");
 - H. Result in repeated solicitations from the same donor;
 - I. Give a sponsor influence over the City and/or access to restricted information;
 - J. Involve an association with gambling, tobacco, or pornography; or
 - K. Imply City endorsement of political or religious views, or of contentious community issues.

Adopted: RTC 07-224 (7/24/2007), Amended RTC 09-066 (3/10/2009), Amended RTC 10-297 (11/9/2010), Amended RTC 10-297 (11/9/2010); Amended RTC 14-1098 (3/24/2015), Amended RTC 25-0912 (11/18/2025)

Lead Department: Finance