

EXHIBIT A

ADMINISTRATIVE CODE BOARD OF COUNTY COMMISSIONERS	
CATEGORY: Financial/Fiscal/Budget	CODE NUMBER: AC-3-12
TITLE: Cash & Capital Asset Donations Policy	ADOPTED: 05/02/84
	AMENDED: 09/21/94; 08/09/05; 12/15/15
	ORIGINATING DEPARTMENT: County Administration/Budget Services
<p>PURPOSE/SCOPE:</p> <p>Lee County through this code provides for the acceptance and administration of charitable donations made to Lee County by individuals and organizations.</p> <p>POLICY/PROCEDURES:</p> <p>A. Definitions</p> <p>Donated Funds: Funds which are generated independent of any County function or activity and are voluntarily given to the County by an individual or organization.</p> <p>Per Florida Statutes, Chapter 129, all donated funds are County funds once received by Lee County, and are governed by applicable laws, rules, regulations and procedures.</p> <p>Endowment: Established as a permanent fund whose principal must remain at the original amount by whose income may be expended.</p> <p>Trust Fund: A fund consisting of resources received and held by the governmental unit as trustee to be expended or invested in accordance with the conditions of the trust.</p> <p>General Purpose Cash Donation: A donation for which a specified purpose is not designated or whose purpose is to defray the operating costs of the department to which it is given. These donated funds shall be considered to be the first funds spent for the operation of the department to which they are donated.</p> <p>Capital Assets: Assets accepted by the Board of County Commissioners (BOCC) refers to property, land or equipment (with a value of a least \$1,000) and infrastructure needs. Contributed assets are recorded as estimated fair market value at the time received.</p> <p>The policy of Lee County is to acknowledge the intent of the individual or organizations that donate. The County shall accept donations that benefit the health, safety, and welfare of Lee County's citizens.</p> <p>B. DONATION ACCEPTANCE (GENERALLY)</p> <p>Upon receipt of donations of \$100,000 or less the County Manager (or his designee) shall conduct a review to determine whether the proposed donation –</p> <p style="padding-left: 40px;">1) Can be of benefit to Lee County,</p>	

- 2) Entail costs that exceed the benefit of that proposed donation, or
- 3) Requires use contrary to public policy.

Donations of more than \$100,000 must be approved by the BOCC.

The BOCC must approve all of the following:

- 1) Funds which are donated for a purpose in which a construction-related permit is required,
- 2) Funds which are donated specifically for a Capital Improvement Project (CIP) or Major Maintenance Project, and
- 3) Real estate.

Capital Improvement Projects - Any BOCC accepted monetary donation specified for either a capital improvement project or major maintenance projects, which have not been spent within 5 years from acceptance, may be redirected for another purpose at the discretion of the BOCC. If the project is listed on the current BOCC approved 5-year Capital Improvement Plan or a Major Maintenance Plan before the 5 year period expires it is not necessary to redirect the funds. The affected department and the citizen or citizens group originating the project may suggest an alternate capital project where the donation may be applied.

County Manager's Designee – The County Manager designee shall be the department director for the department that the donation is intended to benefit. If a donation is not intended to benefit a specific department the County Manager may designate any county employee deemed appropriate by the County Manager to act on his behalf. The department director of the department to which the funds are donated shall have the authority to spend funds, unless otherwise specified. Interest earnings from deposited monetary donations exceeding \$5,000 which were designated for a capital improvement or major maintenance project will be credited and considered a part of the respective donation.

Rejection of a Donation – If upon review it is determined that the proposed donation of \$100,000 or less:

- 1) Cannot be of benefit to Lee County,
- 2) Entail costs that exceed the benefit of that proposed donation, or
- 3) Requires use contrary to public policy or if a proposed donation of more than \$100,000 is not approved by the BOCC, then Lee County may respectfully decline the proposed donation.

For any donation that is rejected, or declined the donor, upon notification, may petition the County Manager for review or for reconsideration. All petitions for review must be submitted to the County Manager or his designee in writing. Once a written petition for review or reconsideration is received by the County Manager, the County Manager may render a decision in writing to either submit the proposed donation to the BOCC for consideration or to affirm the rejection of the donation. The County Manager may consult with the Office of the County Attorney.

C. TYPES OF DONATIONS

Monetary Donations: A donation of funds.

Specified use: Donations for a specified purpose must be for a minimum of \$100, except for a capital project accumulation account. A monetary donation with a specified use requires an indication in writing from the donor which identifies the donor's intended use of the funds. The donor may inform Lee County of the intended use of the funds in writing. The communication which is intended to convey the donor's intent must be addressed to the County Manager or his designee. However, a check or money order with the purpose duly noted on the memo portion may be sufficient if the department director determines that it offers sufficient specificity. Monetary donations which require a review may be temporarily deposited into the Clerk's Finance Suspense Account until accepted, at which point Finance will make an adjusting entry to credit the funds into the appropriate departmental account string. If a specified use monetary donation which has been accepted and deposited, but could not be spent in accordance with the donor's wishes within 24 months of receipt the department which has accepted the donation must contact the donor and seek permission if the department wishes to use the funds for an alternative use. If the donor cannot be contacted within 30 days of the expiration of the 24 month period then the donation may revert at the director's discretion for other purposes. Every effort will be made by the responsible department to expend the donated funds for the purpose identified prior to the end of the specified period. Donations for a specific project must be documented and held in accordance with chapter 129 of the Florida Statutes.

Endowment or Trust Fund: A one-time donation of an endowment or trust fund may be arranged for a period of up to 5 years, and may be continued in five-year increments with approval. The County Manager's designee may assess a reasonable charge for administration of the endowment or trust fund. Lee County reserves the right to dissolve the endowment or trust fund arrangement and return the unspent principal and interest amount to the donor. If the donor is not found, the funds would revert to a general purpose donation. Funds donated for an endowment shall be placed in a trust fund and assigned a fund or sub fund for purposes for tracking expenditures.

Non Specified Use: If a monetary donation does not have specified use it does not require any documentation from the donor. Such donations should be immediately deposited into the primary operating fund of the department or the County General Fund or appropriate proprietary fund upon acceptance.

Budgetary Recognition of Monetary Donations: If a department determines that a budget amendment is necessary to recognize the receipt of monetary donations the Department Director may accordingly proceed to obtain BOCC approval to amend the applicable budget for the fiscal year in which the donated funds will be spent.

Non-monetary Donations: Include the donation of real estate, goods, services, gift cards and donor direct pay-to-vendor donations. All non-monetary donations require completion of a donation form or a letter from the donor outlining and describing any terms of the donation.

Fixed Asset Tag Threshold: If a non-monetary donation consists of goods with a fair market *unit* value which meets or exceeds the County's required fixed asset tag threshold requirement the County Manager's designee shall request the issuance of a county fixed asset tag and notify the County Manager of the accepted donation. A donor must obtain preapproval from the County Manager's designee for any proposed donations where the donor plans to apply for a grant intended for the County's benefit.

County's fixed asset tag threshold requirement i.e., if \$1,000 is the County's current threshold for required a fixed asset tag, and \$2,000 is specifically donated for the purpose of purchasing 20 pc

monitors, the donation would not require a fixed asset tag. On the other hand, if the donation is a painting with a value of \$2,000, such a donation would require a fixed asset tag.

A Donor Direct Pay-to-Vendor Donation: Occurs when the donor does not want to donate money, but instead wishes to procure the item(s) or services directly from a vendor with the intended purpose to immediately donate the purchase to the County. For direct pay-to-vendor purchases the completion of a donation form or a letter from donor addressed to the County Manager's designee is required in advance. The donation form or letter must specifically identify a description of the donation and the donor's intent. A donor should not proceed with a direct pay-to-vendor purchase without prior acceptance by the County Manager's designee. Lee County has sole control and final authority over the acceptance of partial or completed services paid from donated funds or from a direct pay-to-vendor donation.

D. THE LIBRARY

Donations by credit card via the on-line Lee County Library System website and overpayments of library fines and fees do not require acceptance and may be expended 60 days after receipt. Pre-owned books and other library collection materials do not require any formal acceptance.

E. COUNTY GOVERNANCE AFTER ACCEPTANCE OF A DONATION

Lee County has sole control and ownership of any asset acquired from donor. The administration and expenditure of all donated funds must adhere to Lee County procurement procedures and abide by all applicable laws, rules, and regulations. All donations must be used for lawful public purposes.

A donation is considered a taxable deduction for the donor if it meets IRS Tax Code criteria at the time of acceptance by Lee County.

The County Manager shall have administrative authority to employ supplemental procedures for accepting donations. The County Manager must provide the BOCC with annual reports which memorialize donations accepted by the County.