



Policy Number:	4030
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## Donations, Gifts and Sponsorships Policy

### A. Purpose

The purpose of this policy is to establish policy and procedure governing the acceptance, valuation, and recognition of all types of donations, gifts, and sponsorships for American Leadership Academy. This policy is intended to create practices that adequately safeguard public funds, provide for accountability, and ensure compliance with all state and federal laws.

American Leadership Academy encourages and supports community and business partnerships that enhance and supplement the public education system. American Leadership Academy is committed to work effectively with donors and sponsors to provide donation receipts, as required by law, and to facilitate the donors' charitable intent to the extent that the intent of the donation is in harmony with American Leadership Academy goals and the law, and is appropriately approved.

American Leadership Academy is ultimately responsible for the accounting, custody, expenditure and allocation of all monies, including those that are obtained through donations, gifts, and sponsorships. American Leadership Academy is accountable for and must comply with all federal and state laws and rules, regardless of the source of funds.

The board also desires to protect students, parents, teachers, and school administrators from over-commercialization and restrictions or requirements that are coercive, distracting, or disruptive to the education processes, threatening to the health and welfare of students, or lacking in educational merit. American Leadership Academy reserves the right to decline, restrict, or redirect donations, gifts, and sponsorships.

### B. Scope

This policy applies to all administrators, licensed educators, staff members, students, organizations, volunteers, and individuals who receive, authorize, accept, value, or record donations, gifts, or sponsorships for the school.

It is expected that in all dealings, American Leadership Academy and school employees will act ethically consistent with the school's ethics training, the Utah Educators' Standards (R277-515), the Public Officers' and Employees' Ethics Act (Utah Code 67-16), and State procurement law (Utah Code 63G-6a).

### C. General Policy Statements

1. "Public funds" are defined as money, funds, and accounts, regardless of the source from which the funds are derived, that are owned, held, or administered by the state or any of its political

subdivisions, including American Leadership Academy or other public bodies [Utah Code 51-7-3(26)]. All monies received through donations, gifts, or sponsorships are considered public funds.

2. All funds, property, or goods donated become public funds and the property of the school, and should be used for the purpose for which they were donated and in accordance with State and school policies.
3. The school is committed to appropriate distribution of unrestricted funds and the management of donations and gifts to ensure that the educational opportunities for all students are equal and fair.
4. The school will comply with all applicable state and federal laws; the State procurement code (Utah Code 63G-6a); State Board of Education rules, including construction and improvements; IRS Publication 526 "Charitable Contributions"; and other applicable IRS regulations.
5. The collection of funds or assets associated with donations, gifts, or sponsorships will comply with the school's cash receipting policies. The expenditure of any public funds associated with donations, gifts, or sponsorships will comply with the school's cash disbursement policies.
6. Donations, whether in-kind, cash, or otherwise, shall be complete transfers of ownership, rights, privileges, and/or title in or to the donated goods or services and become exclusive property of American Leadership Academy upon delivery.
7. School employees may not direct operating expenditures to outside funding sources to avoid the school's procurement rules (operating expenditures include equipment, uniforms, salaries or stipends, improvements or maintenance for facilities, etc.).
8. School employees must comply with the school procurement policies and procedures, including complying with obtaining competitive quotes; bid splitting; and not accepting gifts, gratuities, or kickbacks from vendors or other interested parties.
9. Donations and gifts should be accounted for at an individual contribution level.
10. Donations, gifts, and sponsorships shall be directed to the school's program(s). Donations, gifts, and sponsorships shall not be directed at specific school employees, individual students, vendors, or brand name goods or services.
11. Donated funds shall not compensate public employees, directly or indirectly.
12. Donations or gifts shall not be accepted that advertise or depict products that are prohibited by law for sale or use by minors, such as alcohol, tobacco, or other substances that are known to endanger the health and well-being of students.
13. Donations, gifts, and sponsorships given by vendors to specific programs (e.g., drama, sports teams) or school employees shall be evaluated for compliance with Utah Code 63G-6a-2304.5, "Gratuities, Kickbacks, Unlawful use of position or influence." As required by state law, donations will only be accepted where there is no expectation or promise, expressed or implied, of remuneration or any undue influence or special consideration. School employees are not permitted to accept personal payment or gratuities in any form from a vendor or potential vendor as a precondition for purchase of any product or service.
14. Donations and gifts over \$500.00 will be provided with an acknowledgment of the contribution from the school for IRS purposes. The acknowledgment will be in the form of a receipt issued by the foundation or business administrator. These receipts will be generated from the information provided on the "Donations, Gifts, and Sponsorships" form.

**D. Procedures for Donations, Gifts, and Sponsorships**

1. Types of Donations, Gifts, and Sponsorships
  - a. Products

The school may accept donated products which carry the donor company's name, trademark, logo, or limited advertising on the product (e.g., cups, T-shirts, hats, instructional materials, furniture, office equipment, etc.). These items shall be valued at fair market value at the time of the contribution. If advertising or other services are offered in exchange for the donation or gift, this may alter the contribution amount.

b. Cash Donations

- (1) Cash donations are welcomed and may be accepted from private individuals, companies, organizations, clubs, foundations, and other appropriate entities.
- (2) Cash donations may be used to fund or enhance programs, facilities, equipment, supplies, services, etc.
- (3) Cash donations may not be used to hire regular classroom teachers, thereby altering the staffing ratios. However, classroom assistants, coaching assistants, or specialists of any kind, including individuals who may hold educator licenses, may be hired using the funds received. Donations to fund such positions shall be made to a program, school, division, or department—not directly to individuals—and employment will be processed through the school's Human Resources Department and Payroll Department. The school or school administration reserves the right to decline or restrict these types of donations if they create inequitable environments in the school or, interfere with educational goals, or for any other reason determined by the school.

c. Equipment, Supplies, or Goods

The school may accept donated equipment, supplies or goods for use in the school. These items shall be valued at the fair market value at the time of the contribution. If advertising or other services are offered in exchange for the donation or gift, this may alter the valuation amount.

2. Approval and Acceptance of Donations, Gifts, and Sponsorships

- a. Donations, gifts, and sponsorships valued at more than \$500 must be documented on the LEA "Donation, Contribution, or Sponsorship" form. This form must be completed and retained in the LEA or school accounting records. A copy of the completed form will be sent to the foundation or business administrator and a receipt for charitable contribution purposes will be issued to the donor.
- b. Approval levels are as follows:
  - (1) Money, goods, supplies, or in-kind donations, gifts, or sponsorships valued at \$500 - \$10,000 must be documented on the school's "Donation, Contribution, or Sponsorship" form and be approved by an administrator prior to acceptance.
  - (2) Money, goods, supplies or in-kind donations, gifts, or sponsorships valued at \$10,000 - \$50,000 must be documented on the school's "Donation, Contribution, or Sponsorship" form and be approved by the business administrator and director, prior to acceptance.
  - (3) Money, goods, supplies or in-kind donations, gifts, or sponsorships valued at more than \$50,000 must be documented on the school's "Donation, Contribution, or Sponsorship" form and be approved by the school's board, prior to acceptance.

**E. Capital Donations or Gifts/Large Donations or Gift Projects**

1. All donations or gifts for construction, maintenance, facilities renovation or improvement and other capital equipment purchases must be approved by the business administrator, the director, and the board. Prior to the initiation of a large capital drive or specific fundraising drive, the following will be provided to the business administrator for evaluation and recommendation to the director:
  - a. Prospective construction, maintenance or renovation plans and estimated costs
  - b. Proposed naming opportunities

- c. Proposed donation or gift timeline
  - d. Loans or financing agreements
  - e. Maintenance or upkeep requirements and costs
2. The director will make a recommendation to the board. The board reserves the right to tentatively approve plans, pending donations, gifts, equity, or other conditions.
  3. All physical facilities are owned and operated by the school. No part of any school facility or capital equipment may be named for a donor without the express written consent of the board.
  4. The school shall only grant naming opportunities that are consistent with the mission and educational objectives of American Leadership Academy. Decisions regarding naming opportunities are within the sole discretion of the board.

**F. Advertising**

1. To avoid disruption of students' instructional activities, schools shall not be used for distribution of partisan, religious, or commercial advertisements, fliers, bulletins, newspapers, etc.; nor shall such items be placed on vehicles parked on school grounds.
2. Students and employees of the school, including teachers and administrators, shall not act as agents for commercial agents during school hours or contract time.