

Disclaimer: Please note that the Utah State Office of Education (USOE) model policies and procedures are general guidelines. These model policies are suggested best practices, and LEAs are not required to use or adopt these specific policies. LEAs are encouraged to modify these policies and procedures to better adapt to the current environment of each specific LEA. Not every LEA has the same personnel positions as listed in the model policies and procedures; please modify the positions to conform to your LEA's circumstances and size.

Donations, Gifts & Sponsorships Model **Policy**

A. PURPOSE

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

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

The LEA is ultimately responsible for the accounting, custody, expenditure, and allocation of all monies, including those that are obtained through donations, gifts, and sponsorships. The LEA 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. The LEA reserves the right to decline, restrict, or redirect donations, gifts, and sponsorships at both the LEA and individual school levels.

B. SCOPE

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

It is expected that in all dealings, LEA and school employees will act ethically, consistent with the LEA'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 FOR LEAS & INDIVIDUAL SCHOOLS

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 LEAs 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 LEA, and should be used for the purpose for which they were donated and in accordance with State and LEA policies.

3. The LEA recognizes that fundraising efforts, donations, gifts, sponsorships, and public support vary among schools. The LEA 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 LEA is committed to principles of gender equity and compliance with Title IX guidance. The LEA commits to use all facilities, unrestricted donations and gifts, and other available funds in harmony with these principles. The LEA reserves the right to decline or restrict donations, gifts, and fundraising proceeds, including those that might result in gender inequity or a violation of Title IX. The benefits derived from donations and gifts should be equitable for all students, comply with Title IX, and be in harmony with Article X of the Utah Constitution.
5. Donors may donate directly to the LEA's foundation, if applicable, for tax purposes. The donation or gift shall follow the foundation's policies and procedures.
6. The LEA and individual schools 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.
7. The collection of funds or assets associated with donations, gifts, or sponsorships will comply with the LEA cash receipting policies. The expenditure of any public funds associated with donations, gifts, or sponsorships will comply with the LEA cash disbursement policies.
8. 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 the LEA upon delivery.
9. LEA employees may not direct operating expenditures to outside funding sources to avoid LEA procurement rules (operating expenditures include equipment, uniforms, salaries or stipends, improvements or maintenance for facilities, etc.).
10. LEA employees must comply with LEA 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.
11. Donations and gifts should be accounted for at an individual contribution level.
12. Donations, gifts, and sponsorships shall be directed to the LEA, LEA program(s), school, or school program(s). Donations, gifts, and sponsorships shall not be directed at specific LEA employees, individual students, vendors, or brand name goods or services.
13. Donated funds shall not compensate public employees, directly or indirectly.
14. If donations or gifts are offered in exchange for advertising or other services, an objective valuation will be performed and a charitable receipt will be issued by the foundation or the business administrator.
15. 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.
16. Donations, gifts, and sponsorships given by vendors to specific programs (e.g., drama, sports teams) or LEA 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. LEA 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.

17. Donations and gifts over \$250 will be provided with an acknowledgment of the contribution from the LEA 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.
18. “Contribution” means a voluntary gift or donation of money, service, or anything else of value, to an LEA for the LEA’s use and not for the primary use of an individual employed by the LEA; and includes a philanthropic donation; admission to a seminar, vendor fair, charitable event, fundraising event, or similar event that relates to the function of the public entity. It is not unlawful for an LEA to give, offer, promise, or pledge to give a contribution to another LEA.
 - a. A person is not guilty of unlawful conduct for giving or offering, promising, or pledging to give a contribution to an LEA, unless done with the intent to induce the LEA, in exchange, to:
 - (1) Award a contract or grant;
 - (2) Make a procurement decision; or
 - (3) Take an action relating to the administration of a contract or grant.
 - b. A person is not guilty of unlawful conduct for giving or offering, promising, or pledging to give something of value to an LEA to which a procurement professional or contract administration professional belongs, unless done with the intent to induce a public entity, in exchange, to:
 - (1) Award a contract or grant;
 - (2) Make a procurement decision; or
 - (3) Take an action relating to the administration of a contract or grant.
 - c. An individual is not guilty of unlawful conduct for receiving or accepting, offering or agreeing to receive or accept, or asking for a promise or pledge of a contribution on behalf of an LEA, unless done with the intent that the LEA, in exchange:
 - (1) Award a contract or grant;
 - (2) Make a procurement decision; or
 - (3) Take an action relating to the administration of a contract or grant.
 - d. Penalties for violating this statute are established in Utah Code 63G-6a-2404 and 2407. An individual will adhere to these penalties and report violations to the attorney general’s office, as required by statute.
 - (1) Penalties range from a class B misdemeanor to a second degree felony and individuals are subject to disciplinary action up to and including dismissal from public employment.

D. PROCEDURES FOR DONATIONS, GIFTS, AND SPONSORSHIPS

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

The LEA or individual schools 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. All cash donations will be received in compliance with the LEA’s cash receipting policies.

- (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 LEA’s Human Resources Department and Payroll Department. The LEA or school administration reserves the right to decline or restrict these types of donations if they create inequitable environments in the school or inequities that violate Title IX or other laws, are not economically in the best interest of the LEA, interfere with educational goals, or for any other reason determined by the LEA or school.
 - (4) Cash donations shall not be used to augment an employee’s remuneration beyond the remuneration associated with the salary schedule of the employee’s position.
- c. Donor and Business Partner Recognition**
- (1) Donor and business partner recognitions may be placed on equipment, furniture, and other donated gifts that are not considered capital or fixed assets. Non-permanent recognitions may be placed on LEA buildings or structures with written approval from the superintendent. The board may grant approval for the naming of buildings, structures, rooms, or other district facilities; see Section E.
 - (2) Principals may authorize banners, flyers, posters, signs, or other notices recognizing a donor or school business partner. Such materials shall feature the school-business partnership and not promote or endorse the business named.
- d. Equipment, Supplies, or Goods**
- The LEA or individual schools may accept donated equipment, supplies, or goods for use in the LEA or individual schools or school programs. 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 \$250 must be documented on the LEA “Donation, Contribution, or Sponsorship” form. This form must be completed prior to the acceptance of money or goods, and must be 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 \$250–\$10,000 must be documented on the LEA “Donation, Contribution, or Sponsorship” form and be approved by an individual school principal or applicable LEA department or division supervisor 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 LEA “Donation, Contribution, or Sponsorship” form and be approved by the business administrator and superintendent 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 LEA “Donation, Contribution, or Sponsorship” form and be approved by the LEA 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 in writing by the business administrator, the superintendent, 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 superintendent:
 - 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
 - f. Assurances of compliance with Title IX
2. The superintendent 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 LEA. 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 LEA shall only grant naming opportunities that are consistent with the mission and educational objectives of the LEA. 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. Principals may permit the school distribution of fliers, bulletins, newspapers, etc. with information regarding nonprofit community youth programs such as Boy Scouts of America, Girl Scouts of America, county and municipal programs, and little league-type recreation programs.
3. Students and employees of the LEA, including teachers and administrators, shall not act as agents for commercial agents during school hours or contract time.
4. An LEA employee's participation in a private, but education-related, activity must be separate and distinguishable from the employee's public employment. LEA employees may purchase advertising space to promote private or non-school-sponsored events in the same manner as the general public. The LEA employee's employment and experience can be used to demonstrate qualifications. The advertisement must clearly state that the activity is not school sponsored. See R277-107 for specific direction.