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|  <p><b><u>DONATION POLICY</u></b></p>                                                | <p><b><u>Citywide Policy Manual</u></b></p> <p><u>Policy #</u></p> |
| <p><b><u>Effective Date:</u></b></p> <p><u>July 21, 2026</u></p>                                                                                                      | <p><b><u>Attachments:</u></b></p> <p><u>N/A</u></p>                |
| <p><b><u>Related Policies &amp; Notes:</u></b></p> <p><u>Resolution No. 26-XXX, Policy on Naming, Logos, and Branding For City Facilities, Sponsorship Policy</u></p> |                                                                    |

## **DONATION POLICY**

### **I. PURPOSE**

This policy establishes the Cupertino City Council's policy for accepting donations and provides guidelines to govern the management and disposition of donations.

### **II. BACKGROUND**

Donations of every type are offered to the City of Cupertino (City) for general or specific purposes. This policy establishes uniform criteria and procedures for accepting donations and determining whether the City has adequate resources to administer the donations.

### **III. SPECIFIC OBJECTIVES**

1. To establish an effective and efficient way to manage donations and provide guidelines to donors and City staff;
2. To generate revenue to fund or supplement new and existing programs and activities for the benefit of City and its residents;
3. To work with individuals, organizations and non-profits who support City's mission and goals.

### **IV. DEFINITIONS**

For purposes of this policy, the following terms shall mean as follows:

1. **Donation:** An offer by a donor of any tangible or intangible item which the City is prepared to accept under this policy and guidelines. This includes a monetary (cash) contribution, endowments, personal property, real property, financial securities, equipment, in-kind goods, services and any other asset for which the donor has not received any goods or services in return.
2. **Donor:** An individual or legal entity making a Donation to the City.
3. **Restricted Donation:** A donation restricted by the Donor for a particular purpose, program, location or City department.
4. **Unrestricted Donation:** A donation without any limitations imposed on its intended use and which the City can use for any public purpose.
5. **Park and Public Improvement Donation:** Real property or items, such as drinking fountains, tables, benches, and equipment that are traditionally intended to improve public areas in parks, in or around public buildings, streets, walkways and trails.

## V. TYPES OF DONATIONS

1. Donations may be from a single individual, group, organization, business, corporation, or anonymous sources.
2. Donations may be restricted or unrestricted.
3. Donations may be offered in cash, financial securities, or personal property.
4. Donations of real property or any estate in real property may only be accepted as prescribed by state law, including Government Code section 27281, if applicable.
5. The following are subject to other laws or policies and are not governed by this Policy:
  - a. Donations of public art are subject to the General Guidelines for the Selection of Public Art, Resolution No. 05- 040.
  - b. Sponsorships, including personal and financial support for a City event are governed by the City' s Sponsorship Policy.
  - c. Contributions intended to benefit a City elected official, appointed official, or employee are governed by state and federal laws.
  - d. Land, real property, concessions, appurtenances, rights of way, street improvements, easements and the like, which are obtained under City authority through regulatory means, negotiations, or as part of a public improvement project, a development project or agreement.

## VI. AUTHORITY TO ACCEPT/REJECT DONATIONS

The City at all times shall have the right to accept or decline any Donation, at its sole discretion. Unless otherwise required by federal, state, or local law the City Council

authorizes as follows:

1. Donations of any kind, restricted or unrestricted, which are valued above \$25,000 must be presented to the City Council for approval and acceptance, pursuant to a resolution.
2. The City Council delegates the authority to approve and accept Donations valued at or below \$ 25, 000 to the City Manager.
3. The City Manager is authorized to delegate authority to accept Donations valued at or below \$ 10, 000 to the Director/ Head of the Department for which the donation is intended.

All Donations are subject to the City Council' s budget appropriation rules and must support programs and activities established by or supported by the City.

## **VII. DONATION EVALUATION GUIDELINES**

The following criteria should be considered in evaluating Donations and determining whether City should accept or reject said Donations.

1. Donations must be consistent with City interests and support a public purpose;
2. The fair market value of non-monetary donations;
3. Whether the net benefit of a donation outweighs the cost to the City. Net benefit includes all lifecycle costs of ownership, maintenance, repair, clean- up, administration, and the liability, risk, and expense that may be associated with the donation;
4. Donations may not be used to implement new programs or services that are ongoing, unless the City Council approves the necessary funding to cover the costs of initiating and sustaining the new program or service;
5. Real and projected costs should be considered when a donation requires an immediate or initial expenditure, matching donations, or supplemental funding;
6. Potential costs and liabilities should be considered for donations that exclude indemnification, insurance, bonding, or other warranties that the City would normally receive or require through the procurement process;
7. Consistent with state law, real property will be evaluated based on its physical condition, market value, and any claims, liens, or encumbrances clouding title to the property or reducing its value; and
8. Park and Public Improvement Donations and similar physical items must meet warranty conditions and City standards, if any, to ensure a long life as well as resistance to the weather, wear and tear, and possible vandalism. These donations must cover the cost of purchase, installation, and basic maintenance for the life cycle of the accessory, unless otherwise agreed by the City. The City reserves the right to modify, remove, or relocate these items, as appropriate.

## **VIII. DONATION FORMS AND AGREEMENTS**

All donors are required to submit the Standard Donation Form to the City Manager's Office or, in the case of a department- specific donation valued at or below \$ 10, 000, to the appropriate department head. The City Manager' s Office will be responsible for drafting the Standard Donation Form.

Donations requiring Council approval/ acceptance may require a donation agreement outlining the respective obligations of the donor and the City. Restricted Donations may also be subject to an agreement if either the donor or the City deem it necessary or appropriate.

The City Manager' s Office will review all donation agreements which, at a minimum, should include:

1. Contact information of the donor and a designated representative;
2. The type, amount, and value of the donation;
3. The purpose and any use restrictions for the donation, if any;
4. Appropriate recognition of the donor, if desired; and
5. Waiver, Release, and Disclosure provisions outlining the procedure the City will follow to handle restricted donations that cannot be implemented.

## **IX. DONATION RECOGNITION GUIDELINES**

In determining the appropriate recognition for a Donor, the following guidelines apply:

1. City will provide Donors an acknowledgement of acceptance of the donation.
2. ~~No City building, facility, structure, equipment or furnishing can be named after a Donor.~~ Acceptance of a donation does not create any right to naming, recognition, logo placement, sponsorship benefits, or advertising.
3. The City Council may recognize a donation by a plaque affixed to the appropriate City building, facility, structure, equipment or furnishings. The wording, size, type and location of the plaque shall be determined on a case-by-case basis. Any other permanent recognition shall be governed by the Naming Policy or Commemorative Bench Policy, as applicable.