



**Request for City Council Committee Action
From the Department of Finance**

Date Monday, August 8, 2005
To Council Member Barbara Johnson, Chair
Referral to Ways & Means/Budget Committee

Subject Acceptance of Gifts less than \$1,000

Recommendation

Approve the revised policy for department acceptance by the City Council of gifts less than \$1,000.

Previous Directives

NA

Prepared or Submitted by Heather Johnston, 612-673-2918

Approved by

John Moir, City Coordinator

Patrick Born, Finance Officer

Presenters in Committee Heather Johnston, Director of Management and Budget

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (use any categories that apply)

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other

Background/Supporting Information Attached

The City's current practice is to send individual gifts through the Ways & Means committee for acceptance, pursuant to Minnesota Statutes, section 465.03. The following revised policy would simplify the process, while still meeting the intent of the law.

Proposed Gift Acceptance Policy:

Any gifts with a value of \$1,000 or less can be received by individual City departments with written notice to the Finance Officer or his/her designee. The Finance Department shall submit a quarterly gift report to the City Council's Ways and Means Committee for approval. The department may not use the gift until it has been approved by a two-thirds vote of the City Council.

The quarterly gift report shall contain the following information on each donation:

1. Name of recipient department
2. Name of entity making gift
3. Description of gift (including value of gift, date received and special designations on gift, if any)
4. Funding strings for revenue and expense appropriation increases

For any gifts with a value exceeding \$1,000, the recipient department shall submit a request for authorization to accept the gift to the City Council's Ways & Means Committee directly.