



OREGON YOUTH AUTHORITY
Policy Statement
Part I – Administrative Services



Subject:

Agency Acceptance of Donations

Section – Policy Number:

B: Financial Management – 5.0

Supersedes:

I-B-5.0 (06/13)
I-B-5.0 (03/11)
I-B-5.0 (05/05)

Effective Date:

01/30/2020

Date of Last Review/Revision:

None

Related Standards and References:

- [Publication 526](#) Internal Revenue Service (Charitable Contributions)
- [Publication 1771](#) Internal Revenue Service (Charitable Contributions – Substantiation and Disclosure Requirements)
- [26 USC Sec. 170\(c\)\(1\)](#) (Charitable, etc., contributions and gifts)
- [ORS 420A.030\(3\)](#) (Oregon Youth Authority; Youth Correction Facilities)
- [OAR 125-050-0040](#) (Public Sales for Disposal of State Surplus Personal Property)
- [OAR 416-260-0015](#) (Offender Welfare Accounts)
- Oregon Accounting Manual: [10.20.00 PO](#) (Internal Control - Cash)
[10.20.00 PR](#) (Internal Control – Cash)
- [OYA policy](#): 0-2.2 (Relationships with Youth and Their Families)
 0-2.4 (Conflict of Interest)
 I-B-3.0 (Youth Trust Accounts)
 I-B-3.1 (Offender Welfare Accounts)
 I-C-3.2 (Commercial Sales and Solicitations)
- [OYA forms](#): YA 2198 (OYA Fundraiser Auction Receipt)
 YA 2199 (OYA Receipt for Donation)
 YA 2200 (General Receipt)
- [Attachment A](#): Sample OYA Fundraiser Flyer


Related Procedures:

- None

Policy Owner:

Chief Financial Officer

Approved:



 Joseph O'Leary, Director

I. PURPOSE:

This policy establishes standards and procedures for OYA accepting donations.

II. POLICY DEFINITIONS:

Charitable contribution: A donation or gift to, or for the use of, a qualified organization. A donation is voluntary and is made without getting, or expecting to get, anything of equal value.

Executive team: An executive group that provides oversight of agency operations.

Personal property: Assets that are not permanently affixed to land; assets that are movable and able to be owned separately and distinctly from other assets. Examples include vehicles, equipment, collectibles, etc.

Real property: Land and any property that is attached directly to the land such as buildings and other structures; also land improvements such as parking lots, roads, fences, utilities; also natural resources such as oil, gas and timber, mineral rights, easements and any rights or interests in any resources or property considered a part of the land.

III. POLICY:

OYA is authorized by Oregon law to accept gifts, grants, and donations from any source to carry out its duties.

The Internal Revenue Service (IRS) recognizes OYA as a qualifying organization for the receipt of deductible contributions.

OYA donation receipt, solicitation, and application must follow this policy. OYA staff may not provide tax advice and must refer donors to consult with a tax professional for guidance.

IV. GENERAL STANDARDS AND PROCEDURES:

A. Clarification of qualified donations, OYA reporting requirements

OYA is not authorized to accept donations where the donor restricts the donation to the use or benefit of one or more specific youth. Donations to individual youth do not qualify as charitable contributions. Donations may only be accepted for the benefit of any and all youth in OYA care or to enhance OYA activities and programs.

Monetary gifts to specific youth are addressed in OYA policy I-B-3.0 (Youth Trust Accounts).

B. Donations to specific OYA facilities are allowed subject to OYA policy I-B-3.1 (Offender Welfare Accounts).

C. As a recipient organization, OYA may be subject to fines and penalties from the IRS for failure to provide acknowledgement to its donors of the donation.

OYA staff must acknowledge the acceptance of a donation no later than 15 days after the date the donation is accepted. Some exceptions may apply. (See section E about processing donations.)

- D. Donation acceptance decision
1. Prior to acceptance of any donation, the proposed donation must be reviewed by the field supervisor, superintendent, camp director, or assistant director to determine acceptance appropriateness.
 2. The field supervisor, superintendent, camp director, or assistant director may request an executive team decision regarding donation acceptance or denial when unsure of the donation appropriateness. An executive team decision is required when a donation is valued at \$5,000 or more (see subsection 5 below).
 3. Reasons OYA may decline a donation include but are not limited to:
 - a) The donation is contrary to OYA's mission, values, or goals;
 - b) The donation could financially jeopardize the donor or an youth;
 - c) The donation or terms of the donation are illegal or contravene federal or state regulations;
 - d) OYA is unable to honor the terms of the donation;
 - e) An appropriate fair market value cannot be determined or will result in unwarranted or unmanageable expense to OYA, including expenses to account for it;
 - f) There are physical or environmental hazards to OYA in accepting the donation;
 - g) A suitable physical location or storage cannot be located for the donation;
 - h) The donation involves false promises on the part of either party; or
 - i) The donor proposes a value for the item that appears excessive of the likely fair market value for the item within the local area.
 4. If the donation involves computer hardware, software, software licenses, or electronic storage devices, the OYA chief information officer must review the proposed donation and recommend whether it be accepted or declined.
 5. Donations of \$5,000 or More (or Valued at \$5,000 or More)

Donations of cash or property valued at \$5,000 or more must be approved by the executive team prior to acceptance.

- a) The field supervisor, superintendent, camp director, or manager must notify their assistant director of the donation;
- b) The assistant director must discuss the donation with other executive team members during an executive team meeting; and
- c) The executive team must review the donation for legality, appropriateness, and possible conflict with statewide policies. The executive team will decide whether to accept the donation.
- d) For donation acceptance decisions that need to be addressed more quickly than described above, the executive team may elect to discuss the acceptance decision by teleconference or e-mail. The field supervisor, superintendent, camp director, or manager may be notified of the executive team decision by e-mail.

6. Legislative approval is required for the acceptance of donations of real property.
7. A donation will not be accepted from a person who is involved in a contested case before the agency until after 365 days of the date the decision in the case becomes final.

E. Processing accepted donations

1. Money donations

Any OYA facility, field office, or central office may receive money donations paid by cash, check, money order, or debit/credit card. Such donations must be made payable to "OYA" or "Oregon Youth Authority" and are subject to OYA policy I-B-3.1 (Offender Welfare Accounts).

- a) Staff must complete OYA form YA 2200 (General Receipt) when receiving monetary donations and include it with the deposit documentation.
- b) Deposits must be made at a minimum of once per week in accordance with OYA cash receipting and deposit procedures. If cash, checks or money orders on hand equal \$1,000 or more, deposits must be made no later than one business day after the donation receipt.
- c) Monetary donations are subject to the Oregon Accounting Manual (OAM), Internal Control - Cash [10.20.00 PO](#) and [10.20.00 PR](#).

2. Personal property donations other than motorized vehicles

Personal property donations may be made to OYA subject to approvals under section IV.D. These donations are typically delivered or provided to a facility or program for use by that facility or program. OYA may not accept personal property donations that carry donor restrictions as to use, location or disposition.

- a) Any personal property donation received by OYA will become property of the State of Oregon and as such will be made available for those uses and locations deemed appropriate by OYA.
- b) When the decision to accept a personal property donation has been made, the superintendent/camp director, field supervisor or manager (or their designee) assigned to receive the actual donation must inspect the donation at the point of receiving it to ensure it is the proposed donation that was approved.
- c) Upon confirmation of the donation, an OYA staff member and the donor must complete OYA form YA 2199 (OYA Receipt for Donation).
 - (1) Staff must give the original copy of the YA 2199 to the donor.
 - (2) The facility, field office, or central office receiving the donation must retain a copy of the YA 2199 for six years.
- d) Within 10 days of receiving a personal property donation, the superintendent, camp director, field supervisor, or manager must assign a value to the donation.
 - (1) The superintendent, camp director, field supervisor, or manager must forward a revised copy of the YA 2199 with the assigned value to the appropriate assistant director.
 - (2) For property donations valued at \$5,000 or greater, the superintendent, camp director, field supervisor, or manager must also forward a copy of the revised YA 2199 to OYA Accounting.
- e) All donated personal property, upon expiration of their useful lives, must be disposed of according to OAR 125-050-0040 (Public Sales for Disposal of State Surplus Personal Property).

3. OYA Accounting must be notified of any donation (either property or monetary) valued at \$5,000 or more, and any allowable donor imposed restrictions.

OYA Accounting will create specific coding if it is determined that fiscal activity must be tracked.

4. OYA Accounting will assign and issue OYA capital asset property tag(s) which must be affixed to donated property valued over \$5,000.

F. Motorized vehicle donations (e.g., cars, boats, planes)

1. Motorized vehicle donations require additional reporting to the IRS by OYA and the donor.

- a) OYA may only consider accepting a donated motorized vehicle if the donor discloses all information requested by OYA, including the value the donor plans to deduct for the donation and the donor's taxpayer identification information (requested on IRS Form W-9 Request for Taxpayer Identification Number and Certification).

- b) Recipient facilities or program areas must notify OYA Accounting of the intended use of the donated vehicle and work with Accounting to determine what information to seek from the donor.

2. Valuation

If a decision is made to accept a motorized vehicle donation, staff must request the value of the motorized vehicle of the donor.

- a) In most cases the donor will have a qualified appraisal of the item taken within 60 days prior to the donation, or the Blue Book value listed for the make, model, year and condition of the vehicle for sale by a private party.

- b) For cars, the OYA staff processing the donation may find the vehicle's value in a Blue Book, or a vehicle pricing guide relevant to the regional area where the donation is being made, using the value for sales by private parties and considering the apparent condition of the vehicle. Online pricing guides such as [Edmunds.com](https://www.edmunds.com) may also be used.

3. Motor vehicle title

The staff processing the donation must ensure the donor presents a motor vehicle title for the donated motor vehicle that shows ownership fully vested in the donor.

- a) Staff must not accept a donated motor vehicle with a lien holder listed on the title.
 - b) If the donated motor vehicle title lists more than one owner, staff may only accept the donation if all owners have signed off on the title. The donation must be declined until the donor is able to present a clear title.
4. Motor vehicles valued at \$500 or greater
- a) Staff must ensure the donor provides OYA a completed IRS Form W-9 Request for Taxpayer Identification Number and Certification.
 - b) Staff must refuse to accept the donation in cases where the donor refuses to complete an IRS Form W-9 or provide the information.
5. Upon completion of the donation, the superintendent/camp director, field supervisor or manager must oversee transfer of the donated motor vehicle title to OYA.
- a) Staff must provide a copy of the donated motor vehicle title and the value of the motor vehicle to OYA Accounting for inclusion of the vehicle in the annual risk report.
 - b) Staff must transmit the original title to the physical plant operations manager.
 - c) Staff must attach all supporting documentation showing the value and the donor taxpayer identification to a YA 2199 and forward the documentation to OYA Accounting.
 - (1) A copy of such documents must be retained at the receiving facility or program area for six years.
 - (2) Staff must ensure the taxpayer's identification number is redacted from the retained documents.

G. Fundraising activities for OYA programs

Fundraising activities benefitting youth programs are an allowable source of donations per OAR 416-260-0015 (Offender Welfare Accounts). Such activities are subject to restrictions and guidelines described in IRS Publication 1771, Charitable Contributions – Substantiation and Disclosure Requirements and the standards set in this policy.

- 1. Allowable fundraising activities include events that take place within one day (e.g., barbeques, spaghetti feeds, ice cream socials).

2. Staff must have approval from the superintendent (if the event is in a facility) or assistant director prior to posting any fundraiser flyers or announcements.
3. The superintendent or assistant director must ensure posters, flyers or announcements for fundraising events convey appropriate language as shown in Attachment A (Sample OYA Fundraiser Flyer).

Staff may contact or submit a copy of the proposed flyer to OYA Accounting for review if there are questions about appropriateness.

4. Auction fundraisers

Staff must provide a YA 2198 OYA Fundraiser Auction Receipt to auction winners when providing something of value in exchange for a donation. The receipt must include the value of the item received and the amount of money paid for the item.

5. All fundraising events held in OYA facilities must comply with facility safety and security protocols. Fire codes, traffic laws, and all other laws or codes that apply to the area used must also be observed.
6. Raffles are considered games of chance and may not be used for fundraising.
7. Staff must have written approval from an executive team member within their chain of command for fundraising activities that exceed the scope of the above-listed activities.

H. Staff donations

1. Staff may donate to fundraisers authorized by OYA administration that benefit youth programs in the same way the general public may donate to the fundraisers.
2. Staff may not donate or give unauthorized gifts to an individual OYA youth, no matter how trivial the donation or gift may seem. This is to avoid any potential or actual conflict of interest. See OYA policies 0-2.2 (Relationships with Youth and Their Families) and 0-2.4 (Conflict of Interest). Donations to individual youth in close custody are also prohibited per OAR 416-260-0015 (Offender Welfare Accounts).

V. LOCAL OPERATING PROTOCOL REQUIRED: NO

Developing Incentives for Youth
Silent Auction Fundraiser & Culinary Celebration Dinner

Thursday, February 14, 2013

6:00-8:30 pm

Your Town Youth Correctional Facility

2001 NE Main Street

Your Town, OR 97123

Tickets: **\$25 per plate**

Hosted by:

The Youth, Staff, & Volunteers

The Oregon Youth Authority



Money raised supports the youth incentive fund at
Your Town Youth Correctional Facility.

Our goal is to teach youth pro-social behaviors.

The youth incentive fund supports youth activities,
provides supplies and services, special events,
recognition of exceptional behaviors, and
acknowledgment of youth making positive
changes in their lives.

Silent Auction with items produced by YTYCF youth

Youth presenters to speak at dinner event

Make a tax-deductible donation to help youth:

Yes, I would like to make a donation

to the

Your Town Youth Correctional Facility

Youth Incentive Fund

\$10

\$25

\$50

\$100

\$ Other

All donations support

youth programming, special events, holiday celebrations, recognition of exceptional behaviors,
and acknowledgment of youth making positive changes in their lives.

Make Check or Money Order Payable to Oregon Youth Authority and Mail to:

Your Town YCF

ATTN: Youth Incentive Fund Donations

2001 NE Main Street

Your Town, OR 97123

****Receipt provided for all donations****

SAMPLE