

Policies & Procedures

DONATIONS POLICY

Section: Administrative Policies

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Subject: Donations Policy

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PURPOSE

The purpose of this policy is to assure that DBH is providing contributors with every opportunity to donate both cash and kind and that the donations will be handled in such a manner as required by law.

POLICY

DBH is a not-for-profit entity qualified with the IRS as a 501 (c) (3) organization and as such is qualified to receive donations from individuals and organizations that can be tax-deductible to the donor. It is the policy of DBH to seek donations from qualified donors and use the proceeds from such donations for the benefit of Davis County residents who have a mental illness or substance use disorder, or who are at risk of developing such, and keep the funds in Davis County. As such, DBH will comply with all the rules and regulations regarding reporting contributions and sending confirmation letters to donors.

PROCEDURE

1. All donations are to be immediately (within 1 business day) reported to the Finance department and include the following information.
 - a. The name of the donor
 - b. The address of the donor
 - c. The phone number of the donor
 - d. A description of the donations
 - e. The actual or estimated value of the donation
2. Finance will properly record cash valued donations in the books of DBH and send the donor a thank you letter that meets the following purposes:
 - a. Common courtesy to be afforded the donor for any donation.

- b. The obligations under the IRS regulations for confirmation of the donation:
 - i. The name of the donor
 - ii. A description of the property
 - iii. The value of the property, if know.
 - iv. A declaration as to whether anything of value was given in return for the donation (meals, etc.)
 - c. Finance will record in-kind donations as revenue at estimated fair value with offsetting "in-kind materials and equipment" expense.
 - d. To preserve IRS deduction attributes to donors, in-kind donations valued at or in excess of \$5000 will generally require an independent value appraisal (usually from the donor) before the donation is acknowledged and recorded.
3. Annually, Finance will make a report to the CEO of the total donations received.
4. Annually, Finance will include cash-valued donations in the 990 tax filings as necessary.