

**City of Salem, Massachusetts,  
Finance Department Fiscal Policy**

**No. 2008-04**

**SUBJECT:      Donation and Gift Accounts**

**Effective Date:    March 18, 2008 – Revised 6-15-09**

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**POLICY**

**All City gifts and donations \$1,000.00 or more must be accepted by the Mayor and voted by the City Council through a council order request. All School Department gifts and donations \$1,000.00 or more must be accepted and voted by the School Committee.**

**Gift and donation expenditures must be administered in accordance with MGL CH44 § 53A (see attached).**

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**PROCEDURES FOR DEPARTMENTS**

1. All donations and gifts of \$1,000.00 or more must be presented to the Mayor and City Council/School Committee for their acceptance.
2. City Departments should forward the request (step #3 below) to the Assistant Finance Director for processing to Mayor/City Council.
3. A letter should be submitted to the Mayor and City Council/School Committee requesting the donation be accepted and include the amount of the donation, Fund Number, Fund Name, and MUNIS Revenue Org/Object into which the money will be deposited.
4. Any restrictions as to the expenditures of such funds shall accompany the request to the Mayor and City Council/School Committee.
5. If no restrictions exist, the memo to the Mayor & City Council/School Committee should specify that there are none.
6. Once the City Council/School Committee has voted acceptance of the donation, a copy of the vote/council order shall be attached to the 9/10 form. The check, 9/10 form and vote should then be submitted to the Treasurer's Office for deposit and processing.
7. All gifts and donations should ONLY be deposited into an existing DONATION/GIFT Special Revenue Fund established by City council in accordance with MGL CH44 § 53A

and in accordance to any special conditions or terms.

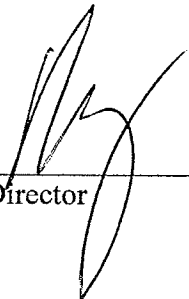
8. If no gift/donation fund exists for the department, the council must approve the acceptance of the gift/donation and establish a gift/donation fund for that department.
9. A copy of the Vote/Council Order and memo should be forwarded to the Assistant Finance Director, and the Fund number or revenue org/object should be written on ALL documents.
10. The Salem Education Fund and Taxpayer Scholarship funds are trust funds and therefore exempt from this policy.

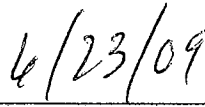
### **PROCEDURES FOR TREASURER'S OFFICE**

1. The Treasurer's office will review all 9/10 forms for Gifts & Donations and ensure that a Council Order/School Committee vote accompanies all deposits for \$1,000.00 or more.
2. The Treasurer's office shall ensure that the money is booked only to a Donation Fund established by the Finance Department.

### **PROCEDURES FOR FINANCE DEPARTMENT**

1. The Finance office will file the vote/council order and memo in the appropriate Donation Fund folder.

  
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Finance Director

  
\_\_\_\_\_  
Date