



TITLE	POLICY NUMBER	
Donations	DCS 03-02	
RESPONSIBLE AREA	EFFECTIVE DATE	REVISION
Finance - Office of Accounting	Oct. 14, 2016	3

I. POLICY STATEMENT

Generous individuals and entities throughout Arizona seek to contribute gifts, services, and grants of money or property to the Department of Child Safety (DCS) in furtherance of its mission. Such benevolent gestures merit a transparent and thorough process by DCS. This policy provides guidelines for managing donations from individuals and entities outside the Department and for receiving and expending donations.

II. APPLICABILITY

This policy applies to all donations of monies, gifts, services, and devices in support of the Department's mission.

III. AUTHORITY

[A.R.S. § 8-453 \(B\) \(3\)](#) Powers and duties

IV. DEFINITIONS

Arizona Financial Information System (AFIS): The State of Arizona's statewide, automated accounting system.

Department: The Department of Child Safety (DCS).

Donation: A gift of monies, goods, property, services, supplies, or equipment. A donation does not include funds obtained through a competitive grant process.

Office of Accounting: The unit within DCS responsible for establishing accounting codes, allocating costs to appropriate funding sources, meeting financial reporting requirements, managing payroll, and ensuring timely payments to providers and vendors.

Office of Procurement: The unit within DCS responsible for obtaining products and services for the Department. Its duties include assisting with purchasing needs, soliciting and awarding contracts for goods and services, and ensuring purchases are made in compliance with applicable code and law.

V. POLICY

- A. Pursuant to [A.R.S. § 8-453 \(B\) \(3\)](#), the Department has the statutory authority to apply for, accept, receive, and expend public and private gifts or grants of money or property on the terms and conditions as may be imposed by the donor and for any purpose provided for by law.
- B. When an individual or entity outside the Department (or an employee within the Department) wishes to make a donation, or when the Department wishes to request a donation, a [Donation Form](#) shall be completed. The individual who decides to approve a donation, or a request for a donation, shall ensure that the donation supports the Department's mission and is intended for a purpose specified in [A.R.S. § 8-453 \(B\) \(3\)](#). The appropriate individual to make the decision to approve a donation, or a request for a donation, is:
 - 1. The Program Administrator, for a donation or a request for a donation that is designated for a specific local office in that Program Administrator's region; the Office of Accounting shall also review the request to ensure compatibility with federal and state allocated funds for specific services.
 - 2. A Deputy Director, for a donation or a request for a donation that is designated for the entire Department, or is not designated for any specific local office or program; the Office of Accounting shall also review the request to ensure compatibility with federal and state allocated funds for specific services.
- C. Staff who wish to request a donation from an individual or entity shall obtain approval for the request from the appropriate individual specified in section V.B prior to the request for a donation. Staff requesting a donation shall discuss with

the potential donor the intended use of the donation, and shall ensure that the intended use of the donation is in support of the Department's mission.

- D. Staff may request donations from the private sector to assist in administering Departmental programs when there is an identified need for donated funds or non-monetary items necessary to carry out a specific purpose identified in section V.A. Donations must be approved by the appropriate individuals specified in section V.B. and, if necessary, by the Office of Procurement (see "K" below).
- E. Staff requesting donations shall avoid any impropriety in dealing with a potential donor in the process. An impropriety includes but is not limited to any promise made to a potential donor in exchange for a contribution.
- F. Acceptance of a donation shall not:
 - 1. impact in any way current or future contractual provider relations;
 - 2. constitute, or be interpreted as constituting, a conflict of interest;
 - 3. violate any federal or state law, rule, or policy, or be in contravention of the terms of any relevant grant or contract.
- G. The Department has the right to refuse any donation.
- H. When a donor specifies that his or her donation is to be earmarked for a specific purpose, the Department shall allocate that donation solely and exclusively for the purpose identified by the donor.
- I. The Department shall expend donated funds in accordance with [A.R.S. § 8-453 \(B\) \(3\)](#) and the [Arizona State Procurement Code](#).
- J. The Office of Procurement shall determine that donations are consistent with the [Arizona State Procurement Code](#), and otherwise create no conflict of interest for any potential bidder.
- K. Unexpended funds that are unnecessary to fulfill the use specified by the donor shall be returned to the donor. If there are multiple donors, funds shall be returned proportionally to each donor.

- L. The Office of Accounting shall monitor donation activity within the Department to ensure that decisions regarding donations and requests for donations are consistent.

VI. PROCEDURES

A. Requesting a Donation

1. To request a donation or upon receipt of an unsolicited donation, staff:
 - a. records information about the proposed request, including any conditions that may be attached to the donation, on the [Donation Form](#).
 - b. forwards the [Donation Form](#) to the appropriate approving authority:
 - i. the local office's Program Administrator for a donation or a request for a donation that is designated for a specific local office;
 - ii. a Deputy Director for a donation or a request for a donation that is designated for the entire Department or that is not designated for any specific local office or program.
2. Staff who receive an unsolicited donation shall record information about the donation on the [Donation Form](#) and forward the information to the appropriate approving authority in V.B.

B. Approval of Donation

1. The appropriate approving authority specified in section V.B reviews all donation requests and any donation offers prior to acceptance of the donation.
2. The approving authority is responsible for ensuring that the donation supports the Department's mission and is intended for a purpose specified in [A.R.S. § 8-453 \(B\) \(3\)](#).

3. The approving authority decides within 14 days to approve or disapprove the donation request or donation offer and notes the decision on the [Donation Form](#).
 - a. The approving authority forwards the [Donation Form](#) to the Office of Procurement for review by clicking the “Send to Procurement” button on the form.
 - b. After approval by the Office of Procurement, the approving authority forwards the [Donation Form](#) to the Office of Accounting by clicking the “Send to Accounts Receivable” button on the form.
 - c. Regardless of the amount of the donation, the approving authority sends a copy of the [Donation Form](#) to the Office of Accounting to establish a proper chart of accounts setup for revenue and expenditure in the Arizona Financial Information System (AFIS).
4. The Office of Procurement decides within 14 days to approve or disapprove a request for a donation, notes the decision on the [Donation Form](#), and sends the form to the Office of Accounting by clicking the “Send to Accounts Receivable” button.
5. The Department retains the original [Donation Form](#) and provides a copy to the donor.

C. Tracking Monetary Donations

1. All donated monies received are immediately forwarded to the Office of Accounting according to the [Cash and Cash Receipts \(DCS 03-01\)](#) policy.
2. The Office of Accounting Budget Unit assists in the establishment of the correct funding stream for donation expenditures and in tracking expenditures of donations. The Office of Accounting deposits the funds with the State Treasurer.
3. The Office of Accounting sends out an official “thank you” letter for donations of \$100 and above to be used by the donor as a receipt for tax purposes.

D. Records Retention

The Department shall maintain all records pertaining to donations approved and received according to the [statewide retention schedule](#).

VII. FORMS INDEX

[*Donation Form \(DCS-1077\)*](#)