

SALT LAKE COUNTY  
COUNTYWIDE POLICY  
ON  
CONTRIBUTIONS

**Purpose –**

The purpose of this policy is to provide guidelines to process contributions to nonprofit entities of money, in-kind assistance, and fee waivers for the benefit of Salt Lake County residents.

**1.0 Policy**

- 1.1 Salt Lake County may provide contributions to nonprofit entities in the form of appropriations of money, non-monetary assistance, or fee waivers if the Salt Lake County Council finds that the assistance contributes to the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of county residents, consistent with the County's policy priorities and objectives, and subject to budget restraints.
- 1.2 Salt Lake County may provide contributions to nonprofit entities for the benefit of Salt Lake County residents.
- 1.3 This policy governs ad hoc charitable contributions made by Salt Lake County for eligible public purposes allowed by law and should not be used as a basis to establish ongoing or transactional relationships between Salt Lake County and eligible nonprofit entities. If the County receives a good or service in exchange for providing funds to a nonprofit entity, the nature of that relationship shall be governed by Salt Lake County's budgetary and procurement processes and any agreements resulting therefrom, and not by this policy.

**2.0 Definitions**

- 2.1 Contribution – assistance from Salt Lake County to an eligible nonprofit entity that is provided consistent with Utah Code Ann. § 17-50-303 and this policy. Contributions may include the appropriation of money, the provision of non-monetary assistance, or the waiver of fees.
- 2.2 Fee waiver – Any dismissal of required fees for the use of County-owned or operated facilities, property, buildings, equipment, or personnel services.
- 2.3 Non-monetary assistance – A contribution of resources in the form of services or property that is not a direct appropriation of money.

- 2.4 Nonprofit entity – Any benevolent, artistic, educational, philanthropic, humane, patriotic, social welfare, public health, environmental conservation, civic, or other similar organization that is entitled to tax exempt status under the laws of either the United States or the State of Utah. Nonprofit entities do not include any candidate or person actively seeking an elective office or their campaign committee, a political party, a political action committee, or a political issues committee.
- 2.4 Public purpose – Salt Lake County’s authority or responsibility to promote the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of county residents.

### 3.0 **Procedures**

- 3.1 Salt Lake County may only provide a contribution to a nonprofit entity if the Council finds that the contribution promotes a public purpose. The Council’s decision to provide a contribution shall be made consistent with the County’s policy priorities and objectives and is subject to budget restraints.
- 3.2 The Council may approve a contribution on its own initiative, upon the recommendation of the Mayor or another County elected official, or after receiving a request for assistance from an eligible nonprofit entity. Contributions in the form of appropriations of money should be authorized and documented through the County’s budget process, including Countywide Policy 1050, Interim Budget Adjustments. Contributions in the form of appropriations of money should be initially considered by the Council near the conclusion of the County’s budget process after statutorily required appropriations have been considered. Contributions in the form of non-monetary assistance or fee waivers should be considered subject to any additional budgetary limits or procedural requirements imposed by the Council.
- 3.3 Any recommendation or request for a contribution must be supported by documentation establishing each of the following elements:
- a) The specific character and actual value of the contribution being provided by the County;
  - b) Demonstration of the eligibility of the nonprofit entity to receive assistance, through demonstration of tax-exempt status under the laws of the United States or Utah, including copies of either an Internal Revenue Service determination letter or documentation of incorporation as a nonprofit entity from the Utah Department of Commerce;
  - c) Narrative detail explaining the purpose of the contribution, including factual information supporting a determination that the contribution furthers a public purpose;
  - d) Demonstration that the nonprofit entity understands and agrees to the

- substantive requirements of applicable law, including this policy's requirements about disbursement of funds and auditing;
- e) Demonstration that the nonprofit entity will utilize funds for the described public purposes, and acknowledgement that no more than 15 percent of any funds contributed by the County may be used for administrative expenses or employee compensation unless a greater percentage is specifically authorized by the Council;
  - f) Demonstration that the nonprofit entity will return any unspent funds to the County when it files its disbursement of funds report;
  - g) Disclosure of any Salt Lake County elected officials or appointed non-merit employees that serve as officers, directors, board members, or employees of the nonprofit entity, and demonstration that the nonprofit entity understands and agrees to not breach the ethical standards set forth in Utah statute and Salt Lake County ordinance.

This documentation should be summarized in a form drafted by the Attorney's office, which form shall be made available as an attachment to this policy and posted on the County's website. Copies of the completed form required by this section shall be provided to the Council prior to its final approval of any contribution, and to the Mayor's Office of Financial Administration (Mayor's finance) prior to any disbursement of approved funds. For contributions approved by the Council, copies of such forms should be included as part of the record of the applicable public meeting when the contribution was approved and shall also be retained by Mayor's finance as a record for at least two years.

- 3.4 Nothing in this policy shall be understood to create an entitlement or guarantee that a request for assistance from an eligible nonprofit entity will be considered or approved by the Council.
- 3.5 Mayor's finance shall require any nonprofit entity that receives aggregate contributions in excess of \$5,000 during a given fiscal period to submit a "Disbursement of Funds Report." This report should be summarized in a form drafted by the Attorney's office, which form shall be available as an attachment to this policy and posted on the County's website. The completed report shall be provided to Mayor's finance within twelve months of receipt of the contribution and should outline in specific and measurable detail how the entity utilized the contribution, including accomplishments, deliverables, and achievement of outcomes. Copies of the report shall be provided to the Council and Auditor and retained by Mayor's finance as a record for at least two years. Mayor's finance should provide notification to the Council and Auditor if any entity fails to timely submit a required disbursement of funds report as required by this section. Any recipient nonprofit entity that fails to timely submit a required disbursement of funds reports shall be ineligible from receiving additional contributions from the County during the next two fiscal periods, and shall also be subject to potential legal action for the recovery of the unreported disbursed funds.

- 3.6 The County shall require any nonprofit entity that receives aggregate contributions in excess of \$50,000 during a given fiscal period to enter into a written agreement with the County in a manner reviewed and advised by the Attorney's office prior to the disbursement of funds by the County. Such agreements should protect the County's financial and legal interests and oblige the nonprofit entity to comply with all applicable legal and reporting requirements, including this policy.
- 3.7 This policy does not apply to the disbursement of County funds that are allocated through an established statutory process, including the Tourism, Recreation, Culture, and Convention (TRCC) fund and the Zoo, Arts, and Parks (ZAP) fund, to the disbursement of County funds to another governmental organization, or to the disbursement of funds that have been previously approved by the Council prior to the effective date of this policy.

#### **4.0 Audit**

- 4.1 Any nonprofit entity receiving a contribution under this policy shall acknowledge that the Auditor may perform a financial or performance audit on the use of any money, non-monetary assistance, or fee waiver contributed under this policy. Any audits performed under this policy may occur within two years from the time the disbursement was made.
- 4.2 A recipient nonprofit entity shall agree to cooperate with an audit as described herein as a condition of receiving a contribution. A contribution may not be approved or dispersed unless the nonprofit entity agrees to submit to an audit as provided on the applicable form.

#### **5.0 Budget Appropriations and Disbursement**

- 5.1 Payment of money authorized under the policy shall be made by Mayor's finance upon receipt of the budget documents establishing that the Council has approved the contribution in the adopted budget or in a budget adjustment, as well as a copy of the documents required by § 3.3. Payment of money should be made directly to the recipient nonprofit entity. If paper checks are provided to a recipient nonprofit entity, the County office or department processing the checks shall ensure that a funds transfer log is completed and signed. The funds transfer log should document the amount of the check, the date of issue and receipt, and the identities of the transferring and receiving individuals.
- 5.2 Contributions requiring a contract may not be disbursed or provided until the contract has been reviewed as to form by the District Attorney's office and legally executed by Salt Lake County and the nonprofit entity.


SIGNATURES ON FOLLOWING PAGE

APPROVED and PASSED this 23 day of April, 2024.

SALT LAKE COUNTY COUNCIL

  
Laurie Stringham, Chair

ATTEST:

  
\_\_\_\_\_  
Lannie Chapman  
Salt Lake County Clerk

REVIEWED AS TO FORM:  
Digitally signed by Ralph  
Chamness  
Date: 2024.04.23 14:21:58 -06'00'  
\_\_\_\_\_  
Ralph Chamness  
Deputy District Attorney

## Policy Resources - Linked Documents

[Application for Monetary or Non-Monetary Contribution](#)

[Application for Fee Waiver](#)

[Recipient Organization's Disbursement of Funds Report](#)