

CITY OF HUDSON

Policy on Accepting Funds from Nonprofit Organizations for Public Projects

A. Purpose

To establish a transparent, accountable, and legally compliant process for accepting financial or in-kind contributions from nonprofit organizations to support city-sponsored public projects.

B. Scope

This policy applies to all departments and officials of the City of Hudson involved in the solicitation, acceptance, and administration of donations to the City from nonprofit entities.

C. Policy Statement

The City of Hudson may accept donations from nonprofit organizations for designated public projects, provided such contributions meet all the following criteria:

1. Align with the City's strategic goals and values;
2. Do not create a conflict of interest or violate any laws or regulations; and
3. Are documented and administered in accordance with this policy.

D. Requirements for Nonprofit Organizations

To be eligible to contribute to a City project, the donation must be from a nonprofit that meets the following criteria:

1. Legal Status
 - a. The company must be a registered nonprofit organization in good standing with the state of Ohio and be able to demonstrate its status with the state with official filings from the Secretary of State;
 - b. The nonprofit must be a registered 501(c)(3) organization in good standing with the IRS and be able to provide a copy of its IRS determination letter (or an IRS acknowledgment of the nonprofit's application for such status).

2. Transparency

- a. The nonprofit must submit a written proposal detailing the purpose, amount, and intended use of the donation;
- b. The nonprofit must affirmatively disclose in writing any affiliations with political candidates, lobbying efforts, or other entities that may pose a conflict of interest; and
- c. The nonprofit must have no current elected officials or candidates for elected office as a part of the leadership or playing a significant role in the organization.

3. Use of Funds

- a. The nonprofit must agree that funds will be used solely for the specified public project; and
- b. The nonprofit must understand and acknowledge in writing that the City retains full control over project execution and fund allocation.

4. Documentation

- a. Sign a Donation Agreement outlining terms, conditions, and responsibilities; and
- b. The nonprofit must provide financial documentation if requested (e.g., audited financial statements).

5. Acknowledgment

- a. The nonprofit may be publicly acknowledged, but such recognition must not imply endorsement of the nonprofit's other activities or political positions (which are prohibited).

6. Compliance

- a. The nonprofit must comply with all applicable federal, provincial, and municipal laws; and
- b. The nonprofit must not use the donation as a means to influence city policy or decisions.

E. City Responsibilities

1. The City must review and approve all donations through the appropriate department and with the City Solicitor;
2. The City must maintain accurate records of all donations and their use; and
3. The City must ensure public transparency through reporting on projects where donations have been approved and received under this policy.

F. Prohibited Donations

1. The City will **not** accept donations that:
 - a. Are tied to political endorsements or campaign activities;
 - b. Require the City to act outside its legal authority; or
 - c. Come from organizations not in good legal or ethical standing.

G. Forms

1. Application
2. Ohio Legal Status
3. Nonprofit Status (IRS)
4. Proposal – Plans for Public Purpose Donation
5. Disclosure / Affirmation of No Political Involvement
6. Acknowledgement of City Project Management, No City Endorsement, and No Improper Influence
7. Donation Agreement