

NAPA COUNTY HOUSING AUTHORITY

<u>POLICY & PROCEDURE:</u> Acceptance and Disposal <u>Disbursement</u> of Donations <u>REFERENCE:</u> Health and Safety Code Section 34315.3 and 36059 <u>EFFECTIVE DATE:</u> (Date Approved) <u>November 01, 2025</u> <u>REVISION DATE:</u> (Date Approved) <u>NUMBER:</u> <u>32</u>	<u>DATE OF ORIGINAL ISSUANCE:</u> October 9, 2007 <u>APPROVED:</u> <u>October 21, 2025</u> Chairperson Napa County Housing Authority <u>DISTRIBUTION:</u> - Contract Operator - Authority Staff
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SUBJECT Acceptance and ~~Disposal~~ Disbursements of Donations

OVERVIEW Pursuant to Health and Safety Code section 34315.3 and 36059, the Board of the Napa County Housing Authority (Authority) has the responsibility to accept donations. The source and value of each donation to be received must be filed with the Authority Board of Supervisors for acceptance.

POLICY & PROCEDURE (Procedure): With exception of donations received by the Contract Operator for lodging fees, the following procedure is to be followed by the staff of the Authority and the Contract Operator of the Farm Worker Centers for accepting donations.

I) OVERVIEW

A) Types of Donation

- 1) Cash – Cash, Checks and Money Orders – must be payable to the Napa County Housing Authority.
- 2) Non-Cash – Merchant Gift Cards or Certificates, Capital Assets, ~~and~~ other non-perishable goods, and equipment.

- 3) Perishable goods from sources that are approved in accordance with California Retail Food Code section 113735 – fruit, vegetables, meat, dairy products, etc.

- B) Determine if the donation to be received can be utilized in accordance with statutes and the Auditor-Controller's Office Procedure for Acceptance and Disbursement of Donations~~this procedure~~. If there are any questions on the utilization of the donation(s) then the Authority's Counsel must be consulted.

~~C) Letters and Receipts~~

~~Beginning in 2007, Internal Revenue Code Title 26, Subtitle A, Chapter 1, Subchapter B, Part VI, Section 170 (f) (8) provides that an individual cannot deduct a cash contribution, regardless of the amount, unless they keep a bank record such as a canceled check or a written communication (letter or receipt) from the charity as a record of the contribution. The written communication must include the name of the charity, date of the contribution, and amount of the contribution. See Exhibit B for example.~~

- ~~1) Non-cash donation cannot be valued on the letter or receipt provided to the donor. Per the Internal Revenue Service this valuation must be performed by the donor.~~

II) ACCEPTANCE

- A) Authority staff (Housing & Community Services Department) may accept cash and non-cash donations in accordance with Section (B) of the Department of Auditor-Controller's Office Procedure for Acceptance and Disbursement of Donations.
- B) The Authority's Staff Service Manager may accept cash and non-cash donations by any individual or organization totaling \$1,000 or less.
- C) The Authority's Executive Director may accept cash and non-cash donations by any individual or organization of up to \$10,000.
- D) Acceptance of cash donations and non-cash by any individual or organization in excess of \$10,000 requires approval by the Authority. If approved, the Housing & Community Services Department Program Manager shall forward a copy of the approved Authority agenda letter to the Auditor-Controller's Office at donations@countyofnapa.org.
- E) The Authority's Designee shall send a thank-you letter for donations of \$100 or more within three (3) business days of acceptance. Copies of the thank-you letters shall be promptly forwarded to the Auditor-

Controller's Office at donations@countyofnapa.org. The letter should include the following:

- (i) Name and address of donor
- (ii) Date of the donation (received date), -
- (iii) Amount of the donation
- (iv) Purpose of the donation (if declared by donor or if known how it will be used)
- (v) Acknowledgement that the donor did not receive any goods or services in return for the donation (i.e. book, dinner, etc.)
- (vi) Authority's Federal Tax ID Number

See Exhibit B for an example of a thank-you letter. Non-cash donation cannot be valued on the letter or receipt provided to the donor.

Per the Internal Revenue Service this valuation must be performed by the donor.

IIII) ACCEPTANCE – Other than Perishable Goods

- A) Notify the Authority's Designee in writing on the day of receipt that a donation was received and if cash, not yet deposited. This ~~may be accomplished via e-mail to the Housing & Community Development Program Manager and~~ must include information listed in Section II (E) the following:
- ~~• The donor's name (if anonymous, need not be provided)~~
 - ~~• Description of the donation. (Cash, property, merchant gift certificates and other non-cash items)~~
 - ~~• The value of the donation if cash and the estimated value of the donation if non-cash.~~
 - ~~• The purpose of the donation (what it will be spent on)~~
 - ~~• Date donation received~~
- ~~Whether the donor wishes to be acknowledged or remain anonymous.~~
- B) The Authority's Designee will provide written feedback within two (2) business day(s) as to whether the donation may be accepted on behalf of the Authority.

C) If cash, donations must be deposited by Contractor staff within one (1) business day after approval for acceptance has been obtained—~~See Section V for account codes of cash donations.~~ Consult with Auditor-Controller's Office for all other types of donations.

~~D) Authority will issue written communication to the donor to acknowledge the donation. See Exhibit B for an example of an acknowledgement letter.~~

III)IV) ACCEPTANCE – Perishable Goods

A) If a notification is received from a donor at least 72 hours prior to delivery, the applicable steps in Section II or Section III above shall be followed. Notification Received from Donor at least 72 hours prior to delivery. Follow the applicable steps in Section II or Section III above.

B) If there is no prior notification or notification is received less than 72 hours prior to delivery from the donor, the following steps shall be followed: No Prior Notification or Notification is received less than 72 hours prior to delivery from Donor

- 1) Donations of Perishable Goods that do not meet the laws and regulations governing the operation of the centers cannot be accepted.
- 2) Acceptance of donations meeting the laws and regulations governing the operation of the centers.

(i) Accept the donation and safeguard the item(s) received by providing the required storage necessary to preserve the item.

~~(ii) Notify the Authority's designee in Designee in writing on the day of receipt that a donation was received. This may be accomplished via e-mail to the Housing & Community Development Program Manager must include information listed in Section I (E). Include in the notification the following:~~

~~(iii) The donor's name (if anonymous, need not be provided)~~

~~(iv) Description of the donation.~~

~~(v) The estimated value of the donation.~~

~~(vi) The purpose of the donation (how it will be used)~~

~~(vii) Date donation received~~

~~(viii)(ii) Whether the donor wishes to be acknowledged or remain anonymous.~~

~~(ix)(iii)~~ The Authority's Designee will provide written ratification of the donation acceptance within ~~one-three~~ (34) business days on behalf of the Authority.

~~(x)(iv)~~ Donations must be recorded by Authority staff within one (1) business day after ratification of acceptance has been provided.—
~~See Section V.~~

IV)V DONATION – DECLINED

Upon notification from the Authority's Designee that the Donation has been declined, the following must occur:

- A) Authority staff will draft a letter within ~~one-three~~ (34) business days of declining the donation. The letter must:
- Express the Authority's appreciation and include an explanation that the donation was not accepted by the ~~Auditor-Controller or the~~ Authority and if available the reasons for declining the donation.
 - If the donation is cash or not easily mailed indicate donor must retrieve the item within two (2) weeks from the date of the notification letter.
- B) Contract Operator will mark checks received "Void" and return the donated item to the donor
- 1) Through certified-return receipt mail, if it can be easily mailed (checks, money orders or merchant gift certificates/cards);
 - 2) Or, if the donation is cash or not easily mailed then, safeguard the item ~~until the and notify~~ donor how to retrieve ~~s donation it~~ within two (2) weeks from the date of the notification letter; and
 - 3) If item is not retrieved by donor within the two (2) week period, then the Contractor Operator will notify the Authority Designee immediately. Contact the Auditor-Controller's office if donors do not retrieve declined donations.

V)V RECORDING THE DONATION

- A) Authority staff shall record donations in accordance with the Auditor-Controller's Procedure for the Acceptance and Disbursement of Donations Sections (C), (D), & (E). If a cash donation is received, the amount received must be recorded under the farm worker center

~~receiving the donation (5060501 – Calistoga, 5060502 – River Ranch and 5060503 – Mondavi) as well as under revenue account #47500 – Donations and Contributions and recorded in the cash account.~~

~~B) If a non-cash donation is received,~~

- ~~1) The value of the item received must be recorded under the farm worker center receiving the donation (5060501 – Calistoga, 5060502 – River Ranch and 5060503 – Mondavi) as well as under revenue account #47500 –~~
- ~~2) The entry will be offset by the expenditure account that best describes the use of the donation (i.e. account #53505 – Client Meals for donated food).~~

~~C) If the donation is a capital asset, the Auditor-Controller's office Accounting Section must be consulted in the recording of the donation.~~

~~VI)~~**VII) REPORTING TO THE AUTHORITY BOARD OF SUPERVISORS**

~~A) At the end of each quarter, Authority staff will prepare a report all cash and non-cash donations to the Internal Audit section of the Auditor Controller no later than five (5) business days after quarter-end. to the Board for any donations received and declined in the aggregate amount per occurrence.~~

~~B) The report must include:~~

- ~~• The name of the donor.~~
- ~~• The total value of the cash donations received; or declined.~~
- ~~• The Farm Worker Center receiving and utilizing the donation;and.~~
- ~~• Description of any non-cash donations received and estimated value.The Farm Worker Center utilizing the donation.~~

~~VII) RECORDS MAINTENANCE – Non-Cash Donations~~

~~A) Non-Cash – Excluding Merchant Gift Certificates – A log must be maintained by the contractor for each center and submitted to the Auditor-Controller's Office monthly. The log must include the following:~~

- ~~• Name(s) of donors.~~
- ~~• Quantity and Item(s) Donated.~~
- ~~• Estimated value of donated item.~~
- ~~• Recipient of Item (If item is transferred to another center, then this should be noted as the Recipient and the other center should enter the item onto their log.~~

- ~~Title of the person responsible for large non-cash items, such as furniture and vehicles.~~

~~B) Non-Cash Merchant Gift Certificates~~

- ~~1) The Contractor must keep a detailed log of the Merchant Gift certificates and/or cards. A separate log should be maintained for each allotment of Merchant Gift certificates and/or cards from each donor.~~
- ~~2) The initial entry should list the certificates, card numbers or other specific identification of the non-cash items. (See Exhibit A for an example of the log.)~~
- ~~3) Disbursement Approval of Merchant Gift Certificates — Approval will be provided in writing (e-mail is acceptable) by Authority staff based on the information provided by the Contract Operator.~~
- ~~4) After the distribution of the Merchant Gift Certificate/Card is approved, the certificate and/or card number or identification of the non-cash item must be logged out (See attached example of the log.)~~
- ~~5) The written documentation must be filed with the log indicating issuance. (See attached example of the log.)~~
- ~~6) A copy of the log at June 30th must be reported to the Auditor-Controller's Accounting Section by July 1st every year for financial statement purposes.~~

- ~~C) The Auditor-Controller's Department at its discretion will examine the donation certificate, donation card and other non-cash item log.~~

VIII) SAFEGUARDING AND ACCOUNTABILITY

- A) Safeguarding and accountability shall be adhered to in accordance with the Auditor-Controller's Procedure for the Acceptance and Disbursement of Donations.

- A)B) Cash donations and merchant gift certificates awaiting the acceptance of the Authority's Designee or the Authority's s Board of Supervisors must be kept in a locked box within a locked drawer or in a locked safe until deposited or disbursed, respectively.

- B)C) ~~Large (over \$1,000) n~~Non-cash items ~~such as furniture or vehicles~~ must be tracked on a log (See Exhibit A)~~on the log noted in IX.A~~ and safeguarded against damage and use to the extent possible until the item(s) are accepted by the Authority's Designee or the Authority Board of Supervisors.

C)D) ~~Small (\$1,000 or less) Non-cash~~ items such as fruit and vegetables must be weighed, tracked, and reported ~~noted in an email~~ to the Authority's Designee Housing & Community Development Program Manager ~~within one (1) business day~~ and safeguarded against damage and use to the extent possible until acceptance is granted by the Authority's Designee.

IX) UTILIZATION OF DONATION

- A) Donations must be used in accordance with the by-laws of the Authority, the California Code Sections governing the Authority and as bequeathed by the donor.
- B) Donations must be used to enhance the well-being of the farm workers residing at the Farmworker Centers and/or the operations at the Farmworker Centers.

X) DISPOSITION OF DONATION

- A) The ~~Board~~ Authority must approve the disposal of the property and any income derived from the donations for those lawful uses and purposes as are prescribed in the terms of the donation, bequest, or devise.
- B) ~~Board~~ Authority approval of the disposition and disbursement of donations can occur by:
 - 1) The Contract Operator could obtain, or may have, approval in the minutes or a resolution from the ~~Board~~ Authority that allows them to dispose and disburse the donation(s) in accordance with the terms of the donation.
 - 2) The Authority staff will prepare a consent item on behalf of the Contract Operator when necessary for disbursements to specific individuals or for disposal.

C) Non-cash capital asset items shall be disposed of in accordance with the County's Capital Asset policy. Refer to the County's Capital Asset policy for the disposal of non-cash capital asset items.

EXCEPTIONS

C) ~~Non-Declared~~ Emergency Situations - In the case of emergencies that affect the health and welfare of the Lodgers, fixed asset donations may be accepted by the Authority's ~~D~~esignee and must be submitted to the Authority ~~Board of Supervisors~~ for ratification at the next scheduled Board of Supervisors meeting.

G)D) Declared Emergencies – Refer to the Auditor-Controller's Procedure for Acceptance and Disbursement of Donations.

D)E) Pre-Authorized Donors - Donations may be accepted by the Contract Operator without Authority's preapproval unless the donation is to be utilized for the purchase of a capital asset from the following entities:

- St. Helena Farm Worker Committee

The Authority must be notified by the Contract Operator of the donation within one (1) working day of the receipt of the donation.

Exhibit A

Non-Cash, Cash Equivalent Donation Log

USE ONE FORM PER MERCHANT												
MERCHANT'S NAME GIFT CERTIFICATES / GIFT CARDS												
											SIGN OR INITIAL	
DATE IN	CERTIFICATE NUMBERS	QUANTITY RECEIVED	VALUE OF EACH CERTIFICATE	TOTAL VALUE	NUMBER OF CERTS ISSUED	ISSUED CERTIFICATE #S	REMAINING VALUE OF CERTIFICATES	DATE ISSUED	ISSUED TO	REQUESTOR AGENCY	APPROVED BY (SIGNATURE)	ISSUED BY (SIGNATURE)
7/3/2022	201 - 226	25	\$ 25.00	\$ 625.00	3	201-203	\$ 550.00	7/20/2022	T. SMITH	HHSA-MH		
					4	204-207	\$ 450.00	8/3/2022	C. JONES	HHSA-PH		
					5	208-213	\$ 325.00	8/6/2022	C. JONES	HHSA-PH		
					10	213-223	\$ 75.00	8/8/2022	P. CANN	HHSA-IHSS		
					3	224-226	\$ -	8/10/2022	P. CANN	HHSA-IHSS		
8/3/2022	530-560	30	\$ 25.00	\$ 750.00	1	530	\$ 725.00	8/12/2022	C. JONES	HHSA-PH		
					4	531-534	\$ 625.00	8/15/2022	T. SMITH	HHSA-MH		
(YOU MAY ALSO ASSIGN ONE CERTIFICATE # PER LINE)												
9/3/2022	735	4	\$ 250.00	\$ 1,000.00	1	735	\$ 750.00	9/5/2022	C. JONES	HHSA-PH		
	736				1	736	\$ 500.00	9/6/2022	P. CANN	HHSA-IHSS		
	737				1	737	\$ 250.00	9/10/2022	T. SMITH	HHSA-MH		
	738				1	738	\$ -	9/11/2022	C. JONES	HHSA-PH		

(MERCHANTS NAME)
GIFT CERTIFICATES / CARDS

DATE IN / OUT	CERTIFICATE # (s)	# OF CERTIFICATES IN / (OUT)	VALUE OF CERTIFICATE	DOLLAR AMOUNT	DOLLAR VALUE BALANCE	ISSUED TO	REQUESTOR/ AGENCY	APPROVED BY	ISSUED BY
1/15/2003	1 - 10	10.00	25.00	250.00	250.00	n/a	n/a	AB	CD
1/15/2003	1	(1.00)	25.00	(25.00)	225.00	J. Jones	S. Smith	EF	GH
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				
					225.00				

Exhibit B

Example of Acceptance Letter to be issued by the Authority or by Authority Designee

Date

Donor
Address
Address

Dear *Donor Contact*:

Thank you very much for your generous gift of (cash amount or list of goods)* ~~donation~~ to the Napa County ~~Farmworker Centers (Centers)~~ on DATE. We appreciate your support and are very grateful for your active involvement in our success. Your donation and support will assist us in meeting the needs of the residents and ongoing operations of the Centers.

Donations to the farm worker centers ~~are~~ may be tax deductible to the extent allowed by law per California Health and Safety Code section 36063, California Revenue and Taxation Code Section 24359, and Internal Revenue Code 170(c)(1). Napa County Housing Authority's Federal Tax Identification Number is 37-1548136. No goods or services were provided to you in exchange for your donation.

~~We appreciate your ongoing support of the Napa County Farm Worker Centers and are very grateful for your active involvement in the ongoing operations of the centers. Please see that attached list of your donation.~~

Sincerely,

~~NAME OF CONTRACTOR CONTACT~~
Name of Department Head, Title

cc: Tracy A. Schulze
Napa County Auditor-Controller

*Do not include estimate value for non-cash donations! This is the responsibility of the donor for IRS purposes.