SUMMARY STATEMENT

DRPA-10-053 Amended as of 10/17/12

ITEM NO. DRPA-10-053

SUBJECT: Regarding Monetary and In Kind Charitable Contributions to Non-Profit, For Profit and Governmental Entities

COMMITTEE: Unfinished Business

COMMITTEE MEETING DATE: October 3, 2012

BOARD ACTION DATE: October 17, 2012

PROPOSAL: That the Board replaces DRPA-10-053 with the attached resolution establishing the Authority’s policy on in-kind charitable contributions to non-profit, for profit and governmental entities.

PURPOSE: To adopt a policy setting forth the Authority’s policy on monetary and in-kind charitable contributions to non-profit, for profit and governmental entities.

BACKGROUND: On August 25, 2010, the Board adopted a policy eliminating monetary contributions to charitable and civic organizations and establishing a procedure requiring Board approval prior to making any in-kind contributions to charitable and civic organizations. The Authority desires to maintain these policies, but seeks to clarify the application and scope of the policy regarding in-kind contributions by adopting a revised policy.

SUMMARY:

Amount: N/A
Source of Funds: N/A
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: N/A
Other Parties Involved: N/A
RESOLUTION

RESOLVED: That the Board adopt the Charitable Activities Policy attached hereto, which is to replace the policy entitled “Support of Charitable Organizations” adopted by the Board on August 25, 2010.

SUMMARY:  
Amount:     N/A
Source of Funds: N/A
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: N/A
Other Parties Involved: N/A
IN KIND CONTRIBUTIONS POLICY

SCOPE: Defines the circumstances under which the Authority may provide support, financial or otherwise, to non-profit, for profit or governmental entities.

POLICY: As of August 25, 2010, all non-compensatory monetary contributions by the Authority were eliminated. The committee previously established to respond to requests for donations from charitable and civic organizations was abolished.

Any request for an in-kind contribution or contributions to any non-profit, for profit or governmental entities must be approved by the Board at a public meeting.

This amendment to the original policy will become effective upon passage by the DRPA Board of Commissioners on October 17, 2012.

PROCESS: All in-kind contributions must be approved by a public vote of the DRPA Board of Commissioners. Applicants who wish to access DRPA/PATCO bridges, rail facilities or real estate also may be required to obtain a right-of-entry agreement and produce a certificate of insurance.

Requests for in-kind contributions should be made in writing at least 120 days in advance of a proposed event or date of use by a requesting party. The 120-day requirement may be waived at the discretion of the Manager of Customer Service & Community Relations (MCSCR). The requests must be mailed, faxed or emailed to the MCSCR.

Exceptions to this policy: Reasonable public use of publicly accessible DRPA property during regular hours of business and for the purposes for which the property was intended should not be considered an in-kind contribution and would not require action by the Board of Commissioners.

Authorized access to DRPA/PATCO property by the following would not be considered an in-kind contribution:

- Members of the news media on official business,
- People exercising constitutionally protected speech/expression,
- National, state or local security personnel on official business,
- Medical personnel on official business,
- First responders (law enforcement, fire fighters, ambulance personnel, etc.) on official business,
- Officers of the court on official business,
- Government personnel on official business,
- DRPA/PATCO contractors on official business,
- DRPA/PATCO vendors on official business or
- DRPA/PATCO employees on official DRPA/PATCO business.
Written requests for use of DRPA property should include the following information:

- Information about the applicant’s organization, including the name and telephone number of the organization’s designated contact, a business address for the organization, the tax status of the organization, the tax ID number and the names of the organization’s officers and board chairman;
- If an organization is governmental, information should include the name and telephone number of a contact, the name and address of the government agency and the head of the department making the request;
- A reason for why access/use of DRPA property is being requested and a complete, specific account of how the property will be used;
- The length of time the property will be used; and
- If the property is being used to support a one-time or recurring event, the name of an onsite contact who will be available for the duration of the event.

MCSCR will forward a copy of the request to the CEO, COO, Facility Manager/Director (if applicable), General Counsel, Chief of Engineering, Chief of Public Safety, PATCO General Manager (if applicable), Director of Risk Management and other staff member(s) needed to review and provide recommendations and approval, and to determine what, if any, departmental expenses might be incurred in support of the request.

MCSCR will compile a staff feedback synopsis or memo – with a list of DRPA property and employee time requested, as well as the cost of using DRPA property and employee time – and submit it to the COO. The COO will review the memo and make a determination as to whether use of DRPA resources would be appropriate. If so, the COO will ask the MCSCR to prepare an SS&R and submit it to the corporate secretary and the CEO. If the CEO approves of the request, the corporate secretary will then schedule a vote by the Board of Commissioners on the SS&R. If the CEO does not approve the request, the MCSCR will inform the requesting party or a representative that the request has not been approved, and no further action will be taken.

The SS&R must include a statement of cost or value calculated by the COO or the COO’s designee according to the following guidelines:

- Expenditures or in-kind expenses should be calculated cumulatively over a period of 12 calendar months beginning on the date of first use proposed in the written request. *Individual uses of the same property by the same entity or person over the course of a calendar year dated from the original request cannot be treated as separate, discrete expenditures for the purpose of calculating cost to the DRPA.*
• Where applicable, cost to the DRPA should be calculated based on prevailing, local retail prices for the use of similar property (or services) and recorded for board consideration and public disclosure in per unit and total dollars. For example, a twenty-five space parking lot located in an area in which the prevailing weekend rate for parking is $10 per hour would, if full, yield $250/hour. If the lot is used for an eight-hour event, the total cost to the DRPA would be $2000.

• Cost to the DRPA/PATCO should be calculated based on the highest prevailing retail use to which borrowed property could reasonably be put, regardless of the use to which the property is usually put. For example, if an entity is given permission to use parking under a DRPA-owned bridge, the cost to the DRPA/PATCO should be calculated based on the prevailing, retail rate of per unit parking in the neighborhood in which the property is located – even if the DRPA does not typically or regularly use the property as a parking facility.

• Cost of the in-kind contribution of real estate should be calculated based on either a real-estate appraisal concluded within one year of a board vote on the request or a detailed, written analysis prepared by the DRPA finance or real estate departments.

• Cost of services should be calculated in per unit and total dollars by the DRPA/PATCO department or unit director whose personnel would be providing the services requested by the applicant.

The SS&R will be presented to the full Board of Commissioners by the COO – or the COO’s designee – for approval. If the applicant is required to reimburse the DRPA in part for the use of property or services, the SS&R should record the total cost of the contribution and the portions to be paid by the DRPA and the applicant.

If the board approves the SS&R, the General Counsel will prepare a “Right of Entry” and indemnification certification. In addition, the Director of Risk Management will require an applicant, when appropriate, to produce a certificate of insurance that meets appropriate coverage thresholds.

Both Legal and Risk Management will advise MCSCR that all applicable requirements have been met. MCSCR will, in turn, notify key DRPA stakeholders (Operations, Public Safety, etc.) to proceed.

If appropriate, DRPA will host a planning meeting with the applicant to address any outstanding operational or public safety issues.