

Washtenaw County Community Mental Health

**CONTRIBUTIONS - (policy)**

**PURPOSE:**

To document the rules for contributions given to Washtenaw County Community Mental Health (WCCMH) and its employees.

**POLICY:**

It is the policy of WCCMH to comply with Washtenaw County rules and pertinent accounting guidance for monitoring and using restricted and unrestricted contributions.

**STANDARDS:**

- All contributions received in the form of cash, check, or property, are to be remitted to the Accountant within two business days.
- Contributions are deemed restricted or unrestricted based on the nature of the donor's request and recorded in the appropriate account type.
- Restricted contributions are monitored and only expended within the designated limitation. Purpose-restricted contributions are to be used in the same fiscal year in which they are received; Time-restricted contributions may be held until a future period, if specifically required.
- Unrestricted contributions are monitored and must be expended within the same fiscal year in which they are received.
- All contributions, regardless of amount, are required to be approved by the County Administrator via the county contribution form.
- All contributions, regardless of amount, are recorded on the WCCMH check log, but are not to be deposited until after the County Administrator approves the contribution.
- The tax letter should be given to the donor, if applicable (Exhibit A). If not, applicable, donors should be given a Thank You letter on WCCMH letterhead.
- For fundraising events, the donation amount given, in excess of the fair market value of goods and services received, is treated as a contribution and a tax letter may be appropriate (**see WCCMH Fundraising policy**).

**DEFINITIONS:**

Restricted Contribution: Gifts of money or other property from individuals, businesses or other entities which are earmarked by the donor for a specific purpose (Purpose-restricted) or to be used at a certain time or event (Time-restricted).

Unrestricted Contribution: Gifts of money or other property from individuals, businesses or other entities which are not earmarked by the donor for a specific purpose, but are for general use by WCCMH. Unrestricted contributions are included in current year revenue at fair value and do not rollover into subsequent fiscal years.

**REFERENCES:**

- Washtenaw County Policy: Contributions from Individuals and Organizations for County Service
- WCCMH Policy: Fundraising Events
- FASB 116
- GASB Statement 33

**EXHIBITS:**

- A. Tax Letter- WCCMH

**Tax Letter- WCCMH**

*Name*  
*Address*  
*Address*

*Date*

*Re: Washtenaw County Community Mental Health Donation*

*Thank you for your generous gift of \$XXX by check # XXX dated XXXXXX to Washtenaw County Community Mental Health. We truly appreciate your support.*

*We acknowledge that no goods or services were furnished to you in exchange for this donation.*

*Donations made exclusively for public purposes are tax deductible pursuant Internal Revenue Code Sct.170(c)(1).*

*Sincerely,*

*Name*  
*Title*