

STATE OF UTAH

DEPARTMENT

OF

UTAH CORRECTIONAL INDUSTRIES MANUAL

CORRECTIONS

Volume: Budget and Fiscal Control

Chapter: **GD06 CHARITABLE CONTRIBUTIONS, DISCOUNTS & PROMOTIONAL ITEMS**

Date Effective: 2-21-2019

Date Revised:

Pages: 10

Authorized By:

Executive Director, Department of Corrections

GD06/01.00GENERAL PROVISIONS

GD06/01.01Purpose of Chapter

GD06/01.01Cross Reference

GD06/01.02Definitions

GD06/02.00General Requirements

GD06/02.01Policy

GD06/02.02Procedure

GD06/01.00GENERAL PROVISIONS

GD06/01.01Purpose of Chapter

The purpose of the policy is to establish specific responsibilities and provide a process for Utah Correctional Industries (UCI) to make charitable donations to qualified charitable organizations and to issue discounts and promotional items to customers.

GD06/01.02Cross Reference

N/A

GD06/01.03 Definitions

Business Unit	A unit within Utah Correctional Industries responsible for operating a business, delivery of program services or coordination of business or program operations.
Customer(s)	Any individual or entity that purchases or has the potential to purchase UCI products or services.
Discount	Any reduction in the full retail price of products or services sold by UCI.
Executive Management Team	Consists of Division Director, Deputy Division Director and Operations Managers.
Logo Merchandise	Items and merchandise with UCI logo acquired specifically for advertising, trade shows and promotional purposes.
Program Coordinator II	Coordinator for UCI and the Division Director.
Promotional Items	UCI products or services provided at reduced or no charge to a customer, for the purpose of promoting good will and/or advertising UCI products and services available for sale.

Public Official

Any person who is serving the State of Utah or any of its political subdivisions or any other public body of the state and an officer, employee, agent or otherwise, and irrespective of whether the person is compensated for such services.

Qualified Charity

Any organization that is eligible to receive tax-deductible charitable contributions as defined by the Internal Revenue Service or not-for-profit entities or organizations that support community programs. A qualified charity must be a Utah based organization or the Utah chapter of a national organization.

GD06/02.01 Policy

It is the policy of Utah Correctional Industries to support qualified charitable organizations with reasonable in-kind or material donations. Approval of donation requests shall be subject to fiscal health of UCI, fund availability and the following parameters:

- A. Contributions shall be in the form of products or services, valued at full retail price. Cash donations are not allowed.
- B. The UCI Director shall set an annual budget for charitable donations. Combined annual donations to all recipients shall not exceed the amount budgeted.
- C. The retail value of donations to a single recipient shall not exceed \$5,000.00 annually.

GD06/02.02 Rationale

The Utah Correctional industries offers discounts, promotional items and logo merchandise to customers and potential customers to advertise UCI products or services to promote UCI work programs, the UCI mission, and future sales and/or to enhance customer relations. UCI employees or other public officials are strictly prohibited from receiving discounts or promotional/logo merchandise for non-official business.

GD06/02.03 Procedure: Charitable Contributions

- A. A qualified charity or Department of Corrections' division seeking a donation from UCI must submit a request for Donation Form to an Operations Manager for review and approval based on available donation budget.
 - 1. Any public official associated directly or indirectly with a qualified charity must disclose the association and cannot gain personally or financially from the donation.
- B. The Operations Manager shall evaluate the request, verify the organization is qualified based on the IRS Non-profit database and also meets all the criteria established in this policy.
 - 1. If the organization is qualified, the Operations Manager will forward the request to either the UCI director or UCI Deputy Director for final review.

2. The Operations Manager shall notify the applicant of the acceptance or denial of the request for donation.
- C. Approved requests shall be forwarded to the business unit providing the service or product with a requested timeline for delivery. Donation fulfillment should not interfere with regular business operations, nor conflict with delivery schedules for regular orders.
- D. The UCI business unit providing the product or service shall forward a sales order or billing information, including a copy of the request for donation form, a list of items donated and retail value of each item to the Finance Unit.
- E. All contributions will be processed using the same security and delivery procedures as regular orders.
- F. Recipients of donations shall be provided an invoice detailing the retail value of the donation with a zero-balance.
- G. The Program Coordinator II shall maintain a central list of all donated items with retail value for all donations and inform the Executive Management Team when donations are approaching the annual budgeted limit.
- H. The Program Coordinator II shall verify that products or service were received by the qualified charity with written documentation.
- I. The UCI Director may make exceptions to this policy on an as needed basis, if it is deemed in the best interest of UCI to do so. The exception shall be documented.

GD06/02.04Procedure: Discounts on Sales Price

- A. Guidelines for offering discounts to the standard pricing shall be established by the Deputy Division Director over Sales/Marketing. All guidelines shall be approved by the UCI Director.
- B. Discounts to standard pricing may be used to remedy a customer service issue to include, but not limited to, late delivery, damaged goods and/or product not delivered as ordered. Discounts may also be issued for large quantity orders, as determined by material costs and other factors.

GD06/02.05Procedure: Promotional Items

- A. The Division Director shall establish an annual budget for promotional items. All promotional items and services must be documented with a Request for Promotional Item form (Attachment C Request for Promotional Item). Requests must be pre-approved by the UCI Director or designee. All promotional items shall be branded with the UCI name, website and/or logo whenever possible.

GD06/02.06Procedure: Logo Merchandise

- A. The Division Director, Deputy Director, Operations Managers and Sales Team have the authority to purchase logo merchandise and to offer and distribute logo merchandise to customers or potential customers. The Program Coordinator II is responsible for tracking the ordering, inventory and distribution of logo merchandise.
- B. For accounting purposes, logo merchandise shall be counted toward the promotional item budget.

GD06/02.06Procedure: Accounting for Cost

- A. The Financial Manager is responsible to ensure all costs associated with discounts, promotional items and logo merchandise are expensed to the correct cost center and object code in the financial records.

APPROVALS

Each formal request for donations will be evaluated on a case-by-case basis. For this section, retail value means value of the regular selling price of an item or value of a regular work contract. Operations Managers may approve any donation up to \$500.00 in retail value. Deputy Division Director may approve any donation from \$501.00 - \$1,000.00. Division Director may approve \$1,001.00 and above.

GD06/03.00FORMS

GD06/03.01Request for Donation

Form used by qualified charity to request a donation of product or service from UCI.

GD06/03.02Request for Promotional Item(s)

GD06/03.03Donation Receipt



REQUEST FOR DONATION

Organization Name:	
Address:	
Contact Name:	
Phone:	
Federal ID# :	

Description of Organization (mission, activities, functions):	
Products or Services Requested:	
Date Needed	

By signing this Request for Donation I certify that organization listed above is eligible to receive tax-deductible charitable contributions as defined by IRS.

I further certify that any public official associated directly or indirectly with this qualified charity have disclosed the association to UCI and will not gain personally or financially from the donation.

PRINT NAME:			
SIGNATURE:		Date:	

UCI OFFICE USE:

Federal ID Verified by: (attach verification)		Date:	
Approximate Retail Dollar Value of Items Requested: \$			
Request is approved Request is denied	Reason:		
Director / Designee		Date:	

Donation #:	
Sales Order #:	Attach Sales Order Copy
Received On:	Attach Receipt Documentation



REQUEST FOR PROMOTIONAL ITEMS

Unit Name: _____

Address: _____

Contact Name: _____

Phone: _____

Purpose of Request: _____

Dates Products are Needed: _____

Products or Services Requested: _____

Name of Requestor

Date

X _____
Operations Manager Approval

Approximate Retail Dollar Value of Items Requested: \$ _____

Information/Permission received by email (attached).

Forward form to Administrator

For Administration Office Use Only

Request Approved.

X _____
Director/Designee
Sales Order #: _____ (Attach Copy)

Request Denied.