

Chapter 13 GUIDELINES FOR COUNTY DEPARTMENTS ESTABLISHING PARTNERSHIPS WITH SUPPORT GROUPS

13.01. Declaration of policy.

Support Groups play an important role in the success of many county departments. Support Groups benefit both county departments and the general public by making financial and in-kind contributions toward county projects. These contributions significantly expand the work some county departments can accomplish beyond what they could accomplish based on tax revenue alone. The county welcomes and encourages the establishment of Support Groups. These ordinances will enhance mutual understanding between the county and Support Groups. Additionally, these ordinances establish fair, transparent, and consistent policies across all Support Groups. They also maintain a clear separation between the County and the Support Group.

13.02. Definitions

- (1) *Agreement* means a contract between County departments and the Support Group that includes the provisions outlined in this chapter, as well as any additional provisions that are relevant to the relationship of the parties. Agreements as defined in this chapter require adoption by the Milwaukee County Board of Supervisors.
- (2) *Capital Project* means a non-recurring construction, renovation, or improvement project with a value of at least \$100,000. If the threshold for public contracts in populous counties, as specified in Section 59.52(31)(b)1. of the Wisconsin Statutes increases, the \$100,000 value in this definition will increase by the same amount.
- (3) *Donation* means a contribution of any sort including in-kind contributions as well as gifts of money, stock, or other financial instruments.
- (4) *In-Kind Contribution* means any non-monetary contribution and generally refers to goods or services offered for free or for less than the usual charge. Paying for a good or service on the county's behalf is also an in-kind contribution.
- (5) *Nonprofit* means an entity recognized as tax exempt by the IRS under the Internal Revenue Code.
- (6) *Services* means work performed for the county's benefit including, but are not limited to capital projects, programming, or operating activities.
- (7) *Support Group* means any nonprofit organization, organized under Chapter 181 of the Wisconsin Statutes that has an ongoing relationship with the county lasting longer than a year. All Support Groups are nonprofits. The ongoing nature of the relationship means there are additional opportunities for collaboration but also requires that relationship be clearly delineated. Support Groups exist primarily to support county objectives by donating money, providing services, and/or making in-kind contributions.

13.03. Applicability

This Chapter applies to county departments partnering with nonprofit entities or support groups for improvements to county services, fundraising activities, and volunteer services.

13.04. Organization—County.

The county is a municipal body corporate authorized to exercise the powers and privileges granted to it by the state and engage in such acts as are necessary for the performance of the legal duties the county is charged with performing.

13.05. Nonprofits and Support Groups.

(1) *Nonprofits.* Nonprofits provide one-time or intermittent support to the county, usually related to specific, discrete projects. Frequently they support many organizations. If a nonprofit provides support to the county three or more times over two consecutive years, it could be reconsidered as a Support Group.

(a) Given the intermittent nature of the relationship, no Agreement is required.

(2) *Support Groups.* Support Groups provide on-going support to the county for more than one year. They frequently work closely with the department head and staff. Given the ongoing nature of the relationship and to ensure transparency and compliance with county ordinances and policies, agreements are required to govern the relationship.

(a) Relationships with Support Groups shall be established in an Agreement.

13.06. Organization—Support Groups.

Support Groups are independent organizations. Support Groups must conduct their fiscal affairs through a nonprofit entity and must be organized under Chapter 181 of the Wisconsin Statutes. They must have articles of incorporation and bylaws.

13.07. Relationship—Support Groups.

Because of their close relationship with public institutions, the public often perceives Support Groups to be a functional part and representative of a county department. Public confidence and support are best maintained by adequate disclosure of all activities of the Support Group and clear delineation of roles and responsibilities to ensure the independence and separation of the county and Support Group. If an organization meets the definition of a Support Group, the parties will enter into an Agreement. The requirements of this Chapter may only be waived by action of the county board. Support Groups that do not have an executed agreement with the appropriate department which is aligned with this section may not fundraise on the county's behalf and may not conduct any Support Group operations on county property. The Agreement shall include, at a minimum:

- (a) A clause defining the parties to the agreement: the county and the specific Support Group.
- (b) A clause explaining the authority of the county and the Support Group to enter into the agreement.
- (c) A clause outlining the Support Group's goals and activities as well as the county facilities, personnel, utilities, and equipment the Support Group will use.
- (d) A clause defining the duration of the agreement, and terms of renewal, if any.
- (e) A clause covering the conditions of termination, which clause shall include a provision allowing the county to cancel the contract for convenience upon 30-days' written notice.
- (f) A clause allocating liability.

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- (g) A clause with the minimum insurance the Support Group must carry.
 - (h) A clause requiring the Support Group to abide by any applicable codes of ethics in Milwaukee County Code of Ordinances.
 - (i) A clause indicating where communication under the agreement should be sent and designating a liaison between the Support Group and the county.
 - (j) A clause defining how the agreement can be amended.
 - (k) A severability clause that allows any section of the agreement that is found invalid by a court of competent jurisdiction to be removed from the agreement without impacting the validity of the rest of the agreement
 - (l) An audit clause approved by the Office of the Comptroller.
 - (m) A clause requiring the Support Group to file annually with the appropriate Department and the Office of the Comptroller:
 - (1) A copy of the annual report and appropriate financial report the Support Group submitted to the state in compliance with the requirements of Section 202.12(3) of the Wisconsin Statutes as amended.
 - (2) A copy of the return and appropriate financial report filed with the federal government as required by Section 1.6033-2 of the Code of Federal Regulations as amended. For most Support Groups this will be a Form 990 or Form 990-EZ.
 - (n) A clause requiring that annually there be a written accounting between the Support Group and the department documenting the use by each of the other's real or personal property, personnel, utilities, equipment and similar expenses. If the department chooses not to seek reimbursement for a Support Group use of county resources, there must be a written explanation for why the department did not seek such reimbursement. The county may not reimburse Support Groups for the use of resources unless a properly executed contract for the services was executed.
 - (o) A clause committing the Support Group to comply with all applicable affirmative action laws.
 - (p) A clause acknowledging that certain Support Group documents may be covered by public records law and a commitment from the Support Group to assist the county in producing any such records.
 - (q) A clause acknowledging that the Support Group is an independent and separate entity and as such the Support Group has no authority over county employees or county assets. If a Support Group wishes to fund a county position, it will do so through the transfer of funds to the Milwaukee County Treasurer rather than direct payments to the employee.
 - (r) A clause affirming that the agreement is the final agreement between the county and the support group and disclaiming parallel or prior written or verbal agreements.
 - (s) A clause stating that the agreement is governed by Wisconsin Law and that all suits brought regarding the agreement shall be brought in state court in Milwaukee County.
 - (t) If the Support Group has a data sharing agreement with the county or collects customer/visitor data in connection with county facilities or events, the Agreement shall include a clause that makes all such membership data, (including member name, address, phone number, email, address, and any other such data collected by Support Group that county may need for point of sale, or other administrative purposes) the property of the county and requires the Support Group to share such membership data with the county.

(u) If the Support Group sells admissions to county facilities or manages tickets for County events, the Agreement shall include a clause requiring the Support Group to provide quarterly financial reports in addition to the annual reports.

(v) Attachments. The following shall be attached to the agreement:

- (1) An up-to-date copy of the Support Group's bylaws;
- (2) A copy of the articles of incorporation, including any amendments;
- (3) A list of current officers and directors;
- (4) A copy of the Support Group's policies and procedures for internal controls; and
- (5) A copy of the Support Group's IRS exemption determination letter.

13.08. Contribution Acceptance and Management.

(a) Applicability: This section only applies to donations from Support Groups.

(b) Department heads and designees may accept funding from Support Groups under the following parameters:

- a. Financial contributions of any amount, restricted or unrestricted, may be accepted at the discretion of the department head. Such funds must be transmitted to the county treasurer as soon as practicable with a description of the intended use and shall be identified as deposited for that purpose. Restricted funds may only be expended in a manner consistent with the donor's intention.
- b. Financial contributions valued at \$10,000 or more, which are restricted to be used as part of a capital project, may only be accepted if the department enters into a separate agreement with the Support Group to govern that donation. The agreement covering the donation to a Capital Project shall:
 - i. Delineate responsibility for planning, fundraising, and construction of project improvements;
 - ii. Define ownership of the project improvements; and
 - iii. Outline responsibilities for ongoing operation and maintenance of project improvements.

LEGISLATIVE HISTORY

All sections effective upon passage and publication unless otherwise indicated.

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13.06(d).Amended - May 24, 2012, J. Proc.

HISTORY NOTE

(Ord. No. 12-14, § 3, 5-24-12)