

ADDENDUM

American Public Health Association

Guidelines for Gifts and Donations

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Guidelines for Gifts and Donations

Updated by CSR Chair, Development Chair and Executive Director June 6, 2011

I. INTRODUCTION

In the 21st Century, public health will face some of its greatest challenges in more than fifty years. If current trends continue, many existing public health problems will be more widespread, from *HIV/AIDS* and tobacco-related disease, to the chronic diseases of our aging population and domestic and community violence. Simultaneously, rising costs and decreasing public funds have the capacity to further jeopardize the public's health and stretch the public health system.

The American Public Health Association (APHA) must have the financial resources to continue to provide high-quality services and to expand its reach into important new initiatives. To fulfill its mission, APHA must consider securing resources from external sources rather than relying on increasing prohibitively high member dues, conference registration fees, and publication costs.

To guide APHA in securing outside support, the Association developed "Principles of Commercial Support" (Appendix II). The Principles are intended to guide APHA's collaboration with the private sector. The Principles were approved by the APHA Governing Council at its annual meeting in November of 1999.

To strengthen implementation of the Principles, "Guidelines for Gifts and Donations to APHA" has been developed. The Guidelines describe specific criteria and a review and oversight process for evaluating potential donors and gifts. The Guidelines, in conjunction with the Principles, are intended to protect the mission and integrity of APHA while supporting the Association's fundraising efforts.

The Guidelines were drafted with the following considerations in mind:

- APHA is a non-profit, nonpartisan organization.
- APHA’s approaches to donors should be considered as opportunities to build friends and supporters for public health for the long term.
- The criteria for review should be reasonable and realistic.
- The review and oversight process should not be overly cumbersome.
- Over time the review process will build a body of knowledge for accepting and soliciting gifts and donations.
- The Guidelines will be reassessed after one year and thereafter as necessary. Reassessments will take into consideration APHA’s experience of applying the Guidelines. It is expected that methods for a more effective review and/or gaps in the criteria or the review process will be identified. As a result, modifications will be made to the Guidelines as appropriate.

The Guidelines apply to all donations received by APHA from Corporations and/or corporate foundations, solicited or unsolicited, including gifts and contributions received in support of Sections and Special Primary Interest Groups. In 2006, the Executive Board established a permanent committee of the Executive Board, the Committee on Social Responsibility (CSR). The CSR will assume all the responsibilities of the “sub-committee” referred to in the 2001 version of these Guidelines.

Government contracts and grants from independent Foundations are not classified as gifts or donations and need not be evaluated by CSR. However, such contracts or grants in amounts greater than \$100,000 per year, have the potential to shape the public health agenda of APHA, and should be reviewed by the Executive Board.

II. GENERAL ASSUMPTIONS

Three general assumptions will shape the acceptance of all donations. They are:

- APHA will solicit and accept support only for projects and activities that are consistent with the Association’s mission.
- Acceptance of donations and gifts must enhance, and shall not impede, APHA’s ability to act in the best interest of the public at all times.
- APHA’s name, logo and other intangible intellectual assets must be protected at all

times.

III. INITIAL EVALUATION OF DONATIONS

The major determinants in evaluating donations will be the total amount of the gift or pledge and from whom it is received except for individual donations and/or gifts. All donations and/or gifts from individuals will be reviewed by the Executive Director or his/her designee, who will identify any high profile restricted gifts which require Executive Board review. The dollar amount will determine the level of review for all donations from Corporations or corporate foundations. (Throughout the remainder of this document the term gift is used to refer to both outright contributions and pledges to be paid over a period of time). In addition, irrespective of the dollar amount of a gift or pledge, if it is a high profile donation from a Corporation or corporate foundation which involves Association-wide recognition, such as sponsorship of the Opening Session, sponsor identification on the Annual Meeting bags, or awards named for corporate donors, CSR review is required.

It is expected that all donors, particularly those from the corporate sector, making gifts of any amount will comply with APHA's Principles for Commercial Support and the criteria as stated in these Guidelines.

\$25,000 and above

- All gifts of \$25,000 or more, including gifts received in support of Sections and SPIGs, will be reviewed by the CSR for donor adherence to the criteria as stated in these Guidelines. CSR will report its findings periodically to the Executive Board.
- To qualify for review, the \$25,000 threshold would have to be payable in a single year (e.g. a \$50,000 pledge payable over three years would not need CSR review).
- CSR will make final decisions about donor adherence to Guidelines on gifts of \$25,000 to \$100,000.
- CSR will make a recommendation to the Executive Board for the Board's final decision on donor adherence to Guidelines for gifts of more than \$100,000.

Under \$25,000

- All gifts under \$25,000 will be reviewed for donor adherence to Guidelines by staff applying the criteria outlined in this document, including:
 1. Unrestricted gifts;
 2. Gifts made in support of established APHA programs or activities, e.g. gifts made in support of a Section or SPIG; and
 3. Gifts made in support of new programs or activities.

High Profile Gifts

- All gifts for high profile, Association-wide recognition (see examples in Section III above); regardless of the amount must be reviewed by the CSR for donor adherence to Guidelines..

IV. CRITERIA FOR REVIEWING A DONATION OR GIFT

Overall, the purpose of the review is to determine the balance of the benefit to the public in relation to the risks and costs of collaborating with the funding organization. On a case-by-case basis, the following conditions should be considered in determining the benefits and risks of accepting a donation.

A. Are the specified proposed uses of the donation, congruent with the mission and priorities of APHA?

Issues to consider in determining this congruence include:

1. How do the proposed uses of the donation relate to APHA's goals and mission?
2. Why does the organization want to make a donation to APHA?
3. How will the benefits to be derived from the intended purpose of the donation compare with the APHA's resources required to fulfill the intended purpose?
4. Do the practices of the corporation fit with the adopted public policies of APHA? Recognizing that socially responsible practices are a cornerstone of APHA's policies, and that good corporate citizenship should embody socially responsible practices, the following are among the types of issues that should be considered in assessing the benefits and the risks of accepting donations from outside organizations, especially corporations:

- a. The types of core products or services produced or provided;

Note: Donations will not be accepted from tobacco companies, alcohol companies, and manufacturers of firearms and weapons of mass destruction. In the event that the donor corporation is part of a corporate conglomerate with ties to tobacco, alcohol or the manufacturer of firearms or weapons of mass destruction, the donor corporation as well as the relationship between the donor corporation and the conglomerate would be reviewed.

- b. Occupational health and safety conditions under which products or services are produced;
- c. Employment practices, including commitment to diversity and a living wage;
- d. Commitment to protection of the environment;
- e. Record of regulatory compliance;
- f. Marketing and advertising practices;

- g. Research and development policy and practices;
- h. Human rights record;
- i. Donor's relevant public policy positions;
- j. Record of support to public health organizations or public health-related issues and organizations;
- k. Other past activities will be weighed in relation to APHA's public policies and public reputation.

It is recommended that a discreet initial assessment by CSR be done as a prospect is identified or is self-identified as in the case of unsolicited requests to partner with APHA. The assessment will be based on available current knowledge, including web sites, a review of newspapers and contact with appropriate APHA leaders and section officers. APHA members contacted will be held to a level of confidentiality as it relates to discussing APHA's pursuit of potential donors until the information is made public. CSR is encouraged to seek the opinion of an outside, professional adviser as listed in Appendix I.

In exploring the issues above when considering a proposed gift, CSR should also consider the use of the gift and expectations of the donor. For example, if the proposed support is a gift for general support of the organization, and the donor will be recognized through the annual report, visibility at the annual meeting and other general exposure without implying APHA endorsement, then CSR should look at the opportunity to accept funds from an entity that may not be as socially conscious as APHA would like and turn those resources toward the promotion of APHA's work and public benefit.

Some discomfort with past practices in one or more areas above should not be cause for automatic rejection of the opportunity to put their resources to work in APHA's good cause.

B. Are the donor's expectations pertaining to control, oversight, and outcome(s) of the donation and/or project to which the funds are applied acceptable to APHA?

As stated in the Principles for Commercial Support, APHA will accept funds only when APHA has control of the content of the activity and when APHA has and maintains complete control of all funds.

Issues to consider:

1. Does APHA have editorial control over the content of educational materials and publications and input into their dissemination?
2. Will APHA be able to review and approve public statements about the project, its findings and/or implications? Will APHA be in control of the funds at all times?
3. Are expectations on outcome, responsibilities, methods of implementation, and duration of funding feasible and agreeable? (Any special expectations of the donor need to be explicit and

documented).

C. Are the donor's expectations regarding recognition or acknowledgment of their support acceptable to APHA?

Acknowledgments will generally be limited to company name, logos, slogans which are an established part of the supporter's identity, trade names, addresses and telephone numbers. While not allowing advertising, APHA can consider tag lines that indicate a general support for public health and public health messages. Once approved, future gifts from the same company using the same language do not need approval. If the requested language by the donor changes with future gifts, the Executive Director shall determine if a new CSR review is required.

Issues to consider:

1. Is the extent to which the name of the corporation is affiliated with APHA and the proposed project defined by APHA acceptable to the donor?
2. What public recognition is expected by the donor?
3. Is the recognition appropriate for the amount of the gift?
4. Is there an appearance of product endorsement? Where there is concern about possible perceptions, a tag line can be added that states, "The appearance of the APHA logo does not imply endorsement," or similar language appropriate to the specific situation.

D. Would accepting the donation create any real or apparent conflicts of interest, and would the impact and/or benefits of accepting the gift outweigh the risks of partnering with the donor?

In considering the following issues, APHA recognizes the need to adhere to its principles and to weigh the benefits and risks of accepting the gift from the funding entity as opposed to weighing just the opportunity of not accepting the actual dollar donation.

Issues to consider:

1. Are there any personal, financial, or professional gains for APHA staff, members or other volunteers, which create a conflict of interest?
2. What is the impact of the gift and benefits to the public and public health?
3. Does the donor's image support or detract from APHA?
4. Does the impact and/or benefit outweigh the risks of collaborating with the potential donor?

V. PROCESS FOR REVIEWING A DONATION OR GIFT

The CSR shall consist of a Chair (who is appointed by the Executive Board Chair and is an elected member of the Executive Board), a minimum of three additional EB elected members (appointed collaboratively by the CSR Chair and the EB Chair with an effort to include one person of each “class” of elected members), and a minimum of two non-EB members representing and identified by constituencies with vested interest in the process (e.g., ISC and CoA). With gifts of \$100,000 or more, recommendations will be forwarded to the full Executive Board for final approval. The CSR and Executive Board will apply the criteria and procedures described in this document to evaluate the gift or donation.

A. Role of the Committee on Social Responsibility (CSR) of the Executive Board

The CSR will be responsible for:

1. Reviewing all gifts of \$25,000 or more for donor adherence to the criteria established in these Guidelines;
2. Making the final decision about donor adherence to Guidelines on gifts of \$25,000-\$100,000;
3. Reporting to the full Executive Board the outcomes of the reviews of gifts of \$25,000 to \$100,000 and making recommendations for the Executive Board’s consideration on gifts of more than \$100,000;
4. Reviewing and approving all gifts that provide high-profile, association-wide recognition;
5. Identifying more efficient review procedures and/or gaps in the process; and
6. Proposing to the Executive Board modification to the Guidelines.

Reviews of gifts or donations may be done via conference calls or e-mail. In the event that the CSR cannot reach consensus, the majority vote will carry the final decision (on gifts of \$25,000 to \$100,000) or recommendation to the Executive Board (on gifts of more than \$100,000).

Note: In order for the review process to support the resource development effort it may be necessary to initiate the process before final gift negotiations are complete. In such cases the CSR will be asked to make a recommendation based on the facts at hand and to apply the decision to expedite a final recommendation as negotiations are completed.

B. Role of the Executive Board

The full Executive Board will receive the report of the CSR for gifts of \$25,000 to \$100,000 and consider the committee’s recommendations in making a final decision on all gifts more than \$100,000. In the event the Executive Board can not reach consensus, the majority vote will carry the final decision.

The Executive Board will make final recommendations on proposed modifications to the

Guidelines based on the CSR's recommendations.

The Executive Board will provide an annual report to the Governing Council detailing funding decisions and modifications of the Guidelines.

C. Turnaround Time

It is essential that turnaround time for review be sufficient to allow time for staff to prepare materials for the CSR and conference calls to be conducted. At the same time, it will be imperative that the review process be completed efficiently and promptly. It is recommended that this process be completed within a two-month time frame.

Should a donor require a faster decision on the acceptance of a gift (for example, an offer made late in the year that requires acceptance for tax purposes), the Executive Director shall have the authority to discuss the gift with the chair of the CSR and make a binding decision for the organization. If the CSR chair is unavailable, the Executive Director shall have the sole authority to act in the best interest of APHA according to these guidelines.

D. Documentation

All CSR reviews of donation opportunities must be documented. Documentation of difficult decisions, particularly those in which consensus was not reached, should be detailed.

Staff must prepare statements for the donor and the Annual Report to the Executive Board on Gifts and Donations on the agreed-to use of the funds and accountability to reporting outcome for both restricted and unrestricted gifts. A general, positive statement is recommended for unrestricted gifts, for example: *"APHA will put the funds to use for the betterment of public health and to further our mission. APHA also agrees to provide periodic updates to the donor describing how the funds are used."*

Staff should complete statements for the donor and the Annual Report to the Executive Board on Gifts and Donations on gifts that do not require formal review, for example: *"APHA received \$\$ from X Foundation for Y, Z activities; this is in keeping with APHA's donation policies."*

E. Criteria and Mechanism for Expedited Reviews

Gifts of \$100,000 and less, from non-controversial prospects, in support of approved or established projects, and in which there are no extraordinary obligations or stipulations can be expedited. (Examples of non-controversial prospects may include gifts from APHA members or well-respected independent foundations.) In these circumstances, review materials may be faxed or e-mailed to all members of the CSR with a short deadline. Affirmative responses from at least 3 of the elected EB members of the CSR are required before accepting the gift.

As noted in C above, should a donor require a faster decision on the acceptance of a gift (for example, an offer made late in the year that requires acceptance for tax purposes), the Executive Director shall have the authority to discuss the gift with the chair of the CSR and make a binding decision for the organization. If the CSR chair is unavailable, the Executive Director shall have

the sole authority to act in the best interest of APHA according to these guidelines.

F. Multi-year Gifts

Multi-year gifts that on an annual dollar-amount basis reach the level required for CSR review are to be evaluated by the CSR on an annual basis to ensure that the criteria continue to be met, in particular, that the risk/benefit analysis warrants the continuation of the relationship. The process is to be documented.

Changes in the CSR's evaluation of the donation will be forwarded to the Executive Board for consideration and a final recommendation made and included in the annual report to the Governing Council.

G. Donations to Sections and Special Primary Interest Groups

These Guidelines and the Principles for Commercial Support apply to all Sections and Special Primary Interest Groups (SPIG).

Section and SPIG solicitations must be coordinated with APHA at all gift levels. Solicitation letters and lists of prospective donor organizations and contacts, or individual non-members to be solicited, must be approved by APHA before being sent to potential donors. All such correspondence should be sent to the Director of Component Affairs and Director of Development at at least one month s prior to submission deadlines for review and approval by appropriate APHA staff. Approval is not guaranteed.

All grant applications and/or funding requests must be drafted by a designated section or SPIG member. APHA staff will not draft any grant applications and/or funding requests on behalf of Sections or SPIGs. All grant applications and/or funding requests must be submitted to APHA's Director of Development for approval no less than two weeks prior to submission deadlines. If approved, the Development Director will provide all necessary documentation to prove and ensure that APHA is considered the fiscal agent of the grant or funding request if approved by the grantor. As the fiscal agent, APHA will include a 10% or more indirect cost rate, as allowed by the grantor, in the budget request to offset administrative expenses.

In-kind donations to Sections must conform to APHA's Principles for Commercial Support and the Guidelines for Gifts and Donations and are to be self-governed by the Section. Sections must annually submit a list of in-kind donors to the CSR.

APHA will administer all donations received by a Section or SPIG in accordance with the donor's intent. Section Chairs are expected to maintain all funder reporting requirements and may seek assistance from APHA's Director of Development.

H. Donations to Affiliates

The concepts embedded in this document should be of value to APHA's affiliated state public health associations. The Affiliates, as independent organizations, are not bound by this document; however, if an affiliate seeks funds for an APHA activity or in conjunction with

APHA, the Guidelines will be applicable. The Affiliates should adopt APHA's Principles of Commercial Support and to adapt these Guidelines to their needs.

The following recommendations are made for the purpose of maximizing the benefits of the Guidelines for the Affiliates as well as for APHA:

- Affirmation of the right of APHA and its Affiliates to independently pursue gifts and donations.
- Encouragement of the Affiliates to adapt the Guidelines to their needs or to adopt the Guidelines as they are written.
- Encouragement of partnerships between APHA and a state Affiliate or Affiliates when there is a common connection or interest with a potential donor and where gifts and donations for each can be advanced more effectively by working together.

I. Donations to Caucuses

To the extent that a caucus is an independent organization and does not rely on APHA's non-profit tax-status, the caucus is not bound to this document. However, if a caucus seeks funds for an APHA activity or in conjunction with APHA, the Guidelines will be applicable. Caucuses are encouraged to adopt APHA's Principles for Commercial Support and to adapt these Guidelines to their needs.

J. Donations to Third Parties

Donations received by a third party for an APHA activity or an activity that is associated with or publicized as an APHA function must conform with APHA's Principles for Commercial Support and the Guidelines for Gifts and Donations. APHA or the APHA constituent group involved with the donation or activity must inform APHA staff of the original source of the donation, its intended use and how the donation will be promoted. If the donation is above the 25,000 level, the review will be conducted by the CSR of the Executive Board.

K. Donor Recognition

Public recognition of donors is encouraged. To ensure that APHA's donor recognition is consistent and appropriate across programs, activities, Sections and SPIGs, guidelines have been developed.

As stated in the Principles for Commercial Support, acknowledgments will generally be limited to company name, logos, slogans which are an established part of the supporter's identity, trade names, addresses and telephone numbers. APHA will not provide product endorsements. While not allowing advertising, APHA can consider tag lines that indicate a general support for public health and public health messages.

The following policies apply to recognition of donors in print and electronic mediums.

- APHA's name and/or logo should appear first and be of equal or larger size than the donors.
- APHA's name and/or logo should be equally as visible as the donor's name and/or logo.
- Donors should be listed alphabetically or alphabetically within gift ranges. It is suggested that variations on the below wording be used as an introductory statement to a list of donors:

"APHA gratefully acknowledges the support received for xyz from the following contributors"

If exclusive recognition is to be given to a donor, for example, the donor's name is to be used in the naming of a program, activity or award, the Executive Board must review and decide the use of the name.

As stated above, the donor's name should be used in conjunction with APHA's name and APHA's name should appear first.

- Other special recognition opportunities will be reviewed by the Executive Board.

L. Staff Role

APHA staff, with ultimate responsibility falling upon the Executive Director or his or her designate, is responsible for:

- Reviewing gifts under \$25,000.
- Making a final determination on gifts of less than \$25,000.
- Researching the background and affiliations of donor prospects within reasonable parameters.
- Determining if major APHA policies are relevant to a donation or donor.
- Performing cost/deliverables/funding analysis.
- Completing documentation of the considerations and recommendations/decisions of the sub-committee.
- Completing documentation of the commitments and obligations of each gift.
- Completing periodic reports on outcomes and accountability.
- Annually compiling and providing to the Executive Board and for public disclosure a list of all donors to APHA, its Sections and SPIGs.

APPENDIX I: Research Resources

Research Resources

To aid in building a knowledgebase for implementing the Guidelines, a compilation of the research sources consulted in gathering information stipulated in section IV. A.,4 are listed below.

- Calvert Corporate Social Responsibility Index
- KLD database of Corporate Social Briefs
- Progressive Assets Management
- Interfaith Center on Corporate Social Responsibility
- Council on Economic Priorities-Shopping for a Better World
- Occupational Health & Safety Administration's inspection website
- Courtlink listing of federal litigation
- Lexis/nexus searches of newspapers, magazines, periodicals, newsletters, and federal hearings, on keywords related to the items specified in section IV. A., 4.
- Public recognition received, as stated in independent press releases or listings of "best practices," for employment practices and environmental awareness.
- Hoover's Online Business Network: corporate snapshot, executive profiles
- Corporate IO-K reports submitted to the Securities Exchange Commission
- Directory of Corporate Affiliations
- Who's Who in Business & Industry
- Taft Corporate Giving Directory
- Philanthropy News Digest
- Foundation Center
- Company citizenship reports, community involvement reports and corporate press releases

APPENDIX II: Principles for Commercial Support or Donations

Principles for Commercial Support or Donations

Approved by the Governing Council - November 1999

Modified by Governing Council Motion - October 2001

APHA will focus on purposes consistent with its strategic priorities and comply with the following "Principles for Commercial Support or Donations" in soliciting all gifts. These Principles will be discussed with all donors during the early stages of discussions.

Principles for Commercial Support or Donations

1. APHA will at all times maintain an independent position on public health issues and concerns.
2. **APHA will solicit and accept support only for projects and activities that are consistent with the Association's Mission.**
3. **APHA will accept funds for informational and educational activities only when the content is to be determined by APHA or an independent body of public health professionals designated by APHA.**
4. **APHA will maintain complete control of all funds provided from commercial supporters for educational activities.**
5. **APHA will not permit product promotions as part of a Continuing Education activity.**
6. **It is the policy of APHA not to provide product endorsements.**
7. **Acknowledgments for commercial support will be limited to company name, logos or slogans which are an "established part of the supporter's identity," trade names, addresses and telephone numbers. APHA will not permit the use of corporate names in naming APHA awards. (Added as a result of 2001 Governing Council motion).**
8. **APHA's intangible intellectual assets, including the Association's name and logo, will be protected at all times. Donors will not be permitted to use APHA's name or logo for any commercial purpose or in connection with the promotion of any product.**
9. **APHA will be vigilant at all times to avoid any real or apparent conflict of interest in accepting donations.**

Any situation that may be an exception to these Principles will be reviewed by the Executive Committee of the Board. The Executive Committee will determine the final course of action.