

Briefing Statement

Bureau: National Park Service (NPS)

Issue: Director's Order #21 on Donations and Fundraising: Final Draft

Program: Associate Director for Partnerships, Interpretation and Education, Volunteers, and Outdoor Recreation

Date: April 25, 2006

Background - The revision of Director's Order #21 (DO #21) on Donations and Fundraising has been completed. DO #21 was first issued in 1998 to provide guidance to park and program managers on accepting donations and working with organizations raising money to benefit the national parks or the programs of the NPS. The order was originally scheduled to sunset in 2003 but has been extended until the revision is issued.

The NPS began the revision to update the policies to reflect the knowledge gained while working with its fundraising partners and subsequently, to conform to new Departmental Donation Guidelines. The draft revision was made available for internal and public comment so the NPS could consider the broadest range of concerns from those who care about our national parks.

The draft DO #21 included the following improvements:

- Recognition that each park and partner is unique, that one size does not fit all, and that there needs to be flexibility in dealing with all of our fundraising partners, from the start-up just finding its way to the most experienced organizations;
- Updated guidance to parks who may accept corporate donations linked to marketing and advertising;
- Appropriate donor recognition opportunities in ways that do not commercialize our national parks;
- A process to effectively manage construction projects undertaken with donated funds;
- A reference guide that includes tools for park managers such as templates and models for agreements between the NPS and fundraising partners; and
- Incorporation of the new Departmental Donation Guidelines (374 DM 6)

The public comment period closed on December 5, 2005. Approximately 1,000 comments on the draft were received. Many comments expressed concern that the effect of the proposed changes to DO #21 was to increase the commercialization of the parks. This final revision incorporates changes to ensure that the parks will not be commercialized.

DO #21 will be made available to the public through notification in the Federal Register. The Reference Guide accompanying DO #21 is meant to be web-accessed and be changed and updated frequently as new materials become available.

Changes in DO #21

The following summarizes NPS changes to DO #21 in the areas in the draft that generated the most significant internal and public comments:

Issue: Solicitation

- The prohibition on employee solicitation has been reinstated.
- DO #21 has been modified to clarify those activities which authorized NPS employees may undertake to support the efforts of the fundraising partner, such as providing information on the need for and scope of a project or attending/enabling events held in conjunction with an approved fundraising project.
- Superintendents and other appropriate park and program staff may continue to work with community organizations and businesses to co-sponsor NPS events.

Issue: Considering Donations – Prohibited Sources

- Language in the draft which replaced the “prohibited source” criteria with a consideration of the “totality of the circumstances” has been retained. This language conforms to the Departmental Donation Guidelines.
- DO #21 retains the NPS policy not to accept contributions directly from companies which (1) manufacture alcohol or tobacco products or (2) hold or are seeking concession contracts.
- The NPS will however, continue to be able to accept offers from concessions to support park activities through co-sponsorship.
- Corporate campaigns which identify NPS with alcohol and tobacco products will not be authorized.

Issue: Review Requirements for Direct Donations to the NPS

- The review thresholds for direct donations to parks or programs conform to the new Departmental Donation Guidelines.
- Therefore, for any direct donation of \$2,500 or more, the authorized NPS employee will perform an internet search to determine whether there are any publicly available information exists that would raise concerns about the donation. All direct donations of \$100,000 or more will be reviewed in coordination with the NPS Partnership Office and those over \$250,000 will also be referred to the Office of the Inspector General.
- The Director will continue to approve single donations of \$1 million or more, both those that are donated directly to a park and those donated to a partner under an authorized fundraising effort.

Issue: Review Requirements in Fundraising Agreements for Donations to Partners

- In general, all donations or planned series of donation of \$50,000 or more of cash or in-kind from donors other than individuals on their own behalf will be reviewed by the partner to determine whether the donor:
 - i. is currently involved with litigation with the NPS, DOI or other bureaus;
 - ii. is currently engaged in or seeking a business relationship with the NPS;
 - iii. has been debarred from contracting with any governmental agency;
 - iv. has a recent public history of criminal or civil violations disclosed by an Internet search which could lead to public controversy; or
 - v. is regulated by or is seeking a permit from the NPS.

- In the event the partner concludes that one or more of the factors is applicable, they will inform the NPS and assist in determining whether the NPS will accept or decline such contributions.
- All donations or planned series of donations totaling \$1 million or more per campaign from any source must be reviewed and approved by the Director.
- NPS may utilize lower dollar thresholds for partners that have less experience in fundraising.
- The partner will consult with the NPS about accepting donations/grants from state, local or tribal governments.
- The partner may request the NPS to assume responsibility for any portion of the donation review process.
- Where the partner's donor wishes to remain truly anonymous to NPS (the partner will not engage in any public donor recognition or request donor recognition from the NPS for such a gift) no review for the NPS is required.
- Non-profit charitable or philanthropic foundations not affiliated with a business entity or an individual engaged in business with or before the NPS require no further review by the NPS regardless of the amount of the donation.
- The fundraising agreement with the partner will require a written description of its donation review process.
- Corporate Campaigns (donations linked to marketing or advertising) may only be undertaken with written approval of the NPS.

Issue: Fundraising Agreements (Thresholds, Requirements)

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- DO #21 recognizes that one size does not fit all in terms of fundraising activities. The experience of a partner in fundraising, the complexity of a campaign, the requirements placed on each partner and the difficulty of the project need to be considered and captured as part of any fundraising agreement with a partner.
- Fundraising plans will continue to be required. The complexity of the plan will vary based on the goal and scope of a fundraising effort.
- Feasibility studies will continue to be required for projects over \$1 million. The partner may request a waiver from the Director. The assessment of the waiver would be based on the experience of the partner in fundraising efforts.

- The no-lobbying language in the draft (located in the model fundraising agreements in the reference guide) has been retained as written. The explanatory language in this section has been clarified to reinforce that the intent of this provision is that partners agree not to seek funds from Congress to replace funds that they are agreeing to raise privately.

Issue: Partnership Construction Process

- The Partnership Construction Process will remain in place.
- Review of projects totaling less than \$1 million will continue to be delegated to regional offices. This delegation does not affect the scope of the responsibilities of the Development Advisory Board nor any requirements it has regarding the projects which must be submitted for approval.

Issue: Donations of Land and Real Property

- Simplified donation review processes will be developed in consultation with the Chief of the Lands Division and the NPO.
- The language clarifies that decisions on accepting donated land will be based on the standards described in DO #25.
- Non-profit entities, including land trusts, engaging in public fundraising campaigns for the express purpose of purchasing specific properties to be donated to the NPS are required to enter into fundraising agreements with the NPS. This does not apply to either the general fundraising activities of these organizations or to their private fundraising activities.^{Th The}

Issue: Corporate Campaigns and National Park Foundation's Proud Partner Program

- DO #21 clarifies the “exclusivity” offered to Proud Partners of America’s National Parks as requested by the GAO in their May 2004 report “National Park Foundation: Better Communications of Roles and Responsibilities is Needed to Strengthen Partnership with the National Park Service.”
- Proud Partners have the opportunity to inform the public through national marketing and advertising activities that they are assisting the National Park Foundation and the NPS in meeting the needs of the National Park System. A Proud Partner agreement affords a corporate Proud Partner industry “exclusivity” at the national marketing level for a product or service category.
- Proud Partner exclusivity follows procedures described in the new Corporate Campaign Agreement between the NPS and the National Park Foundation. The Corporate Campaign Agreement is included in the Reference Guide.
- Where Proud Partner marketing exclusivity applies, local friends groups would be able to enter into corporate campaigns with a Proud Partner competitor within a local market area—the metropolitan area immediately surrounding or adjacent to the park unit. If there is no such metropolitan area, the superintendent would

consult further with the National Partnership Office before entering into a corporate campaign.

- The prohibition on the use of the uniform and the arrowhead in advertising has been reinserted into DO #21.
- DO #21 clarifies that marketing, advertising, product sampling etc. is not permitted in the parks.

Issue: In-Park Donor Recognition

- Naming of rooms and recognition on bricks/benches or other park furnishings as proposed in the Draft DO #21 has been eliminated.
- DO #21 includes an expanded discussion of opportunities to recognize donors in ways that do not require physical recognition in-park. Parks are encouraged to consider donor recognition through newsletters, park newspapers, websites, electronic (computer) kiosks, or donor recognition books.
- Donor recognition plans are required for all parks and programs that receive or are likely to receive donations. Recognition accorded to donors should be commensurate with the level of the gift.
- Discreet plaques and donor boards acknowledging the contribution of a donor to the restoration or rehabilitation of a room or facility continue to be allowed.
- Donor boards and plaques must be consistent with the design of existing facilities and integrated into the design of new facilities. The period of recognition accorded to donors will be commensurate with the level of the gift and life cycle of the facility renovation or program.
- In-park (commercial) advertising continues to be prohibited.
- DO #21 clarifies corporate donor recognition may include a corporate name script or logo -- on printed or electronic material, audio/video/film products and temporary construction/restoration signs when it is part of a short, discrete, unobtrusive credit line at the end of the material (or appropriately during the introduction of a film, video, electronic or web production).

Issue: Accounting and Reporting Standards

- DO #21 will continue have an annual reporting requirement. The NPO would collect data from parks on annual contributions accepted under the NPS donation acceptance policy.
- The GAO made two recommendations regarding Friends Group in their July 2003 report "Park Service: Agency Needs to Better manage the Increasing Role of Nonprofit Partners"—the NPS should develop and maintain an accurate list of nonprofit groups serving the parks and should require nonprofits to report key financial information (described as annual revenue, donations, and net assets). The NPO will satisfy this requirement by continuing to maintain its existing Friends Group database and by collecting information on annual revenue, donations and net assets from publicly available documents such as a Friends Group's annual report or IRS Form 990.

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