



City of Lawton

City Council

Lawton City Hall
212 SW 9th Street
Lawton, Oklahoma
73501-3944

Addendum Agenda

Tuesday, July 28, 2026

6:00 PM

Lawton City Hall
Wayne Gilley Auditorium

Addendum Business Items

"Official action can be taken only on items which appear on the agenda. The Council may adopt, approve, ratify, deny, defer, recommend, or continue any agenda item. The Council may also propose and enact floor amendments to any matter presented before them. When more information is needed to act on an item, the Council may refer the matter to the City Manager or the City Attorney. The Council may also refer items to standing committees of the Council or a board, commission, or authority for additional study. Under certain circumstances, items are deferred to a specific later date or stricken from the agenda entirely."

1. Consider approving Council Policy 1-15 on Acceptance and Administration of Support from 501(c)(3) Organizations for City Functions and Facilities.

Item Title:

Consider approving Council Policy 1-15 on Acceptance and Administration of Support from 501(c)(3) Organizations for City Functions and Facilities.

Initiator: Stan Booker, Mayor

Information Source: Jari Askins, Interim City Attorney

Background:

Capital Improvement Project (CIP) funding provides an opportunity for the City of Lawton to undertake projects that have broad community support, including support from local nonprofit organizations. This policy establishes guidelines intended to preserve and protect the tax-exempt status of projects funded through CIP.

Correlation to the True North Statement:

N/A

Exhibit:

Council Policy 1-15

Key Issues:

N/A

Funding Source:

N/A

Recommended Action:

Approve Council Policy 1-15.

ATTACHMENTS:

1. Council Policy 1-15 501(c)(3) Support

CITY COUNCIL POLICY 1-15:

Policy on Acceptance and Administration of Support from 501(c)(3) Organizations for City Functions and Facilities

DISTRIBUTION: Mayor/Council and Department Heads

PURPOSE: To establish uniform standards, approvals, and safeguards for the acceptance, administration, and recognition of financial or in-kind support provided by Internal Revenue Code section 501(c)(3) organizations to the City of Lawton, Oklahoma including its public trusts of which it is the beneficiary (the City) for any City department, division, program, event, function, or facility.

POLICY/PROCEDURE:1. Scope/Disclaimer

1.1 Scope. This Policy applies to all City departments, divisions, boards, commissions, and facilities, and to any support offered or provided by any 501(c)(3) nonprofit organization, including "friends of" groups and foundations, whether cash, grants, goods, services, or other in-kind contributions, and whether restricted or unrestricted.

1.2 City Control. The City retains sole and exclusive control over City operations, personnel, programs, procurement, expenditures, and public assets. Acceptance of support does not confer any decision-making authority to the nonprofit or any third party.

1.3 Relationship Disclaimer. Acceptance of support shall not create or be construed as creating an agency, partnership, joint venture, fiduciary relationship, or any other relationship beyond that expressly set forth in a written agreement approved under this Policy.

2. Definitions

2.1 City means the City of Lawton, Oklahoma, and its public trusts of which it is the beneficiary, including all departments, divisions, facilities, programs, boards, commissions, officials (elected or unelected), and employees acting within the scope of their duties.

2.2 Nonprofit means an organization recognized as exempt from federal income tax under Internal Revenue Code section 501(c)(3) and in good standing, including any "friends of" group or foundation formed to support a City function or facility. Only organizations with a current IRS Determination Letter shall receive tax-exempt letters that their contributions are legally tax-deductible from the City upon receipt of Support.

2.3 Support means any financial or in-kind contribution provided by a Nonprofit to or for the benefit of the City, including cash, grants, goods, equipment, materials, professional or volunteer services, sponsorship, advertising, and any other thing of value.

2.4 Restricted Gift means Support subject to donor-imposed conditions, limitations, designated use, reporting, milestones, naming or recognition requirements, or other restrictions.

2.5 Sponsorship/Advertising means Support provided in exchange for recognition, acknowledgment, logo placement, signage, naming, messaging, or other public visibility associated with City programs, events, publications, digital media, or facilities.

2.6 Naming Rights means the grant of a name for a City facility, portion of a facility, program, event, or asset, for a specified term or in perpetuity, in exchange for Support or as donor recognition.

2.7 Bond-Financed Property/Facility means any property, facility, or equipment financed or refinanced, in whole or in part, with proceeds of tax-exempt bonds or other tax-advantaged obligations issued by or for the benefit of the City or a related municipal authority.

2.8 Private Business Use/Private Use means use of Bond-Financed Property/Facility by a Nonprofit or any private party in a manner that constitutes private business use or private use under applicable federal tax law, including special legal entitlements, sponsorship, advertising, leases, management contracts, or preferential arrangements.

2.9 Management Contract means a management, service, or incentive payment contract or arrangement for services provided with respect to Bond-Financed Property/Facility, including operations, concessions, or other service agreements.

2.10 Capital Improvement Project Officer means the City's designated official responsible for post-issuance tax compliance and monitoring related to tax-exempt bond requirements, as identified by the City Manager.

2.11 IRS Determination Letter means an official document issued by the Internal Revenue Service that formally recognizes an organization's tax-exempt status.

3. Approval Workflow and Authority

3.1 Pre-Approval by City Manager. All proposed Support must be submitted in writing to the City Manager or designee for pre-approval before acceptance, announcement, or implementation.

3.2 City Attorney Review. The City Attorney must review and approve the form and legal sufficiency of any proposed written instrument, any restriction on use, any Naming Rights or Sponsorship arrangement, any use of City marks, and any Support related to a facility or project that is, or may be, Bond-Financed Property/Facility.

3.3 Bond Compliance Review. The Capital Improvement Project Officer shall determine whether the Support implicates Bond-Financed Property/Facility and, if so, coordinate through the City Attorney consultation with bond counsel as needed.

3.4 City Council Approval Thresholds. City Council approval is required prior to execution or acceptance for any Support meeting one or more of the following criteria:

- Any Restricted Gift.
- Any in-kind services to be performed on City property or that implicate City operations.
- Any Support involving the use of City facilities, real property, or equipment beyond ordinary public access.
- Any Naming Rights or any change to existing Naming Rights.
- Any Sponsorship or advertising arrangement that includes signage, digital displays, or public messaging on or in City facilities or platforms.
- Any Support exceeding \$250.00 in value, whether cash or in-kind, singly or in the aggregate within a calendar year.
- Any multi-year commitment, pledge, or arrangement exceeding one year or that creates ongoing obligations after the initial term.

- Any Support connected to property that is, or may be, Bond-Financed Property/Facility.
- Any Support that requires deviation from standard City procurement, contracting, or policy requirements.
- Any Support that includes donor-imposed conditions affecting programming, staffing, or material operational discretion.

3.5 Delegated Acceptance Authority. Support not meeting Section 3.4 thresholds may be accepted by the City Manager or designee after City Attorney review of the written instrument, where required under this Policy.

4. Required Written Agreement

4.1 Written Agreement. A written Donation Agreement, Memorandum of Understanding, or Grant Agreement approved by the City Attorney is required for:

- Any Restricted Gift.
- Any in-kind services.
- Any Sponsorship or Naming Rights.
- Any Support tied to a specific facility, equipment, or capital asset.
- Any Support exceeding \$250.00 in value, singly or in the aggregate within one calendar year.

4.2 Required Clauses. The written instrument shall, at minimum, include the following:

- Description of Support, valuation method for in-kind contributions, valuation for receipt of special legal entitlements or other value received by donor, and delivery schedule.
- City control and discretion over use of funds, operations, programs, messaging, and assets.
- No agency, partnership, joint venture, or fiduciary relationship.
- Compliance with laws, City policies, and procurement requirements.
- Intellectual property and trademark/license terms for City marks, if any, with approval rights.
- Recognition parameters, Sponsorship content standards, and signage approvals.
- Tax-exempt bond compliance representations and covenants, if applicable.
- No private business use and management contract compliance, if applicable.
- Insurance, risk allocation, and indemnification.
- Financial controls, reporting, audit, and record retention.
- Open Records and transparency cooperation.
- Conflicts of interest and ethics compliance.
- Term, termination for cause and convenience, cure periods, and effect of termination.
- Return of unspent funds, disposition of materials, and survival of key provisions.
- Notices, governing law, and integration.

5. Tax-Exempt Bond Safeguards

5.1 Identification of Bond-Financed Property/Facility. Prior to acceptance, the sponsoring department shall confer with the Capital Improvement Project Officer to determine

whether the Support relates to Bond-Financed Property/Facility, including property financed by any municipal authority on the City's behalf.

5.2 Bond Counsel Consultation. Where Bond-Financed Property/Facility is implicated, the City shall consult bond counsel as needed to ensure compliance with applicable federal tax requirements and to address structuring, documentation, and monitoring.

5.3 Prohibited Private Use and Payments. The City shall not enter into any arrangement that would result in Private Business Use or private payment/security beyond permitted limits for Bond-Financed Property/Facility.

5.4 Management/Service Contracts. Any Management Contract associated with Bond-Financed Property/Facility must comply with applicable IRS safe harbors, including:

- No sharing of net profits.
- Reasonable compensation.
- No bearing of net losses by the service provider.
- Term limits and termination provisions within permissible parameters.
- City retains control over operations, rates, budgets, and capital decisions.
- City bears the risk of loss of the facility.
- No impermissible role or relationship limiting City rights.

5.5 Prohibited Rights and Entitlements. The City shall not grant leases, special legal entitlements, sponsorships, naming rights, preferential access, exclusive use rights, or similar arrangements in Bond-Financed Property/Facility to a Nonprofit or any private party unless approved in writing by the City Attorney after consultation with the Capital Improvement Project Officer and bond counsel.

5.6 Post-Issuance Compliance. Departments must provide notice to the Bond Compliance Officer prior to any change in use, Naming Rights, Sponsorship signage, management contracts, operations contracts, leases or third-party use of Bond-Financed Property/Facility, and shall maintain records sufficient to demonstrate ongoing compliance.

6. Gift Acceptance Standards

6.1 Discretion to Accept or Decline. The City may accept, conditionally accept, or decline any offered Support in its sole discretion.

6.2 Prohibited or Problematic Gifts. The City will not accept Support that:

- Is illegal or inconsistent with City mission, plans, or priorities.
- Imposes undue administrative burden or cost that outweighs benefits.
- Poses significant reputational risk or conflicts with community standards.
- Contains conditions that violate law or City policy.
- Unreasonably impairs City discretion over programs, operations, or expenditures.
- Requires selection of vendors, contractors, or products contrary to procurement rules.
- Requires employment, personnel, or labor decisions.
- Conflicts with competitive bidding or RFP requirements.
- Requires confidentiality inconsistent with the Oklahoma Open Records Act or transparency obligations.
- Jeopardizes the tax-exempt status of any Bond-Financed Property/Facility.
- Requires endorsements or messaging contrary to Section 9.

7. Conflicts of Interest and Ethics

7.1 Disclosures. City officials and employees shall disclose any actual or potential conflict of interest related to proposed Support in accordance with applicable City policies. Nonprofit representatives shall disclose any financial interests, affiliations, or relationships relevant to the Support.

7.2 Prohibited Conduct. Quid pro quo arrangements are prohibited. The City shall not accept Support intended to influence official action, regulatory decisions, procurement, or employment matters.

7.3 Compliance. All parties shall comply with applicable Oklahoma ethics and conflict rules and City ethics policies. Violations constitute grounds for rejection or termination.

8. Procurement and Contracting Compliance

8.1 No Circumvention. Support may not be used to circumvent competitive bidding, RFP, or other procurement requirements.

8.2 City Control. The City maintains sole authority over vendor selection, contract scope, and contract administration. Donor preference shall not control procurement decisions.

8.3 No Splitting. Purchases may not be split to evade thresholds, approvals, or competition requirements.

8.4 Standard Terms. All contracts funded in whole or in part with Support shall include standard City terms, including insurance, indemnification, compliance, audit, and termination, as applicable.

9. Sponsorship, Advertising, and Naming Rights

9.1 Recognition Standards. Donor and sponsor recognition shall be accurate, dignified, and consistent with City guidelines. Recognition does not constitute City endorsement of products, services, or viewpoints.

9.2 Content Standards. Recognition content must be lawful, non-obscene, non-discriminatory, and content-neutral as to viewpoint. Political, partisan, campaign, or ballot-measure messaging is prohibited on or in City platforms or facilities.

9.3 Approvals. All Sponsorship and advertising materials, designs, and placements require prior written approval by the City Manager or designee and, where applicable, City Council under Section 3.4.

9.4 Signage and Placement. The City must approve the size, design, location, term, and method of installation of any signage or displays, including in digital formats. Additional restrictions apply to Bond-Financed Property/Facility under Section 5.

9.5 Intellectual Property. Any use of City names, logos, or marks requires a limited, revocable, nonexclusive license in a written instrument, subject to quality control and compliance with City brand standards.

9.6 Naming Rights. Naming Rights require a written agreement, City Attorney review, and City Council approval. Terms shall define scope, duration, signage, maintenance, termination, and effect of name changes. Additional bond compliance applies under Section 5.

10. Financial Controls and Accounting

10.1 Receipt of Funds. All funds intended for the City must be paid directly to the City of Lawton or an approved fiscal agent designated by the City Manager. Departments shall not maintain independent bank accounts for donated funds.

10.2 Deposit and Use. Funds shall be deposited, recorded, and expended in accordance with City finance policies, budget authority, and accounting standards, honoring lawful restrictions accepted by the City.

10.3 Pass-Through Accounts. Use of Nonprofit pass-through accounts for City expenditures is prohibited unless expressly authorized in a written agreement approved by the City Attorney and City Manager, with appropriate controls and audit rights.

10.4 Audit and Reporting. The City reserves the right to audit records reasonably related to the Support. Nonprofits shall provide reports, receipts, and documentation as specified in the written instrument.

10.5 Record Retention. The City and, where applicable, the Nonprofit shall retain records related to Support for no less than 10 years or longer as required by law or bond post-issuance compliance. Bond post-issuance compliance requires record retainage for six (6) years after final bond maturity.

10.6 Segregation of Duties. City departments shall implement segregation of duties for acceptance, recording, authorization, and expenditure of Support.

11. Insurance, Indemnification, and Risk Allocation

11.1 Insurance Requirements. For any Nonprofit activity on City property or involving City programs, the Nonprofit shall maintain insurance of types and limits acceptable to the City's Risk Manager, including commercial general liability, workers' compensation, automobile liability (if vehicles are used), and other coverage as appropriate.

11.2 Additional Insured and Primary Coverage. The City, its officers, and employees shall be named as additional insureds on liability policies, with coverage primary and noncontributory and including waivers of subrogation where appropriate.

11.3 Certificates and Endorsements. The Nonprofit shall provide certificates and required endorsements prior to activity commencement and upon renewal.

11.4 Indemnification. To the extent permitted by Oklahoma law, the Nonprofit shall defend, indemnify, and hold harmless the City, its officers, and employees from and against claims, damages, losses, and expenses arising out of or related to the Nonprofit's acts or omissions or its contractors, vendors, or volunteers.

11.5 City Disclaimer. The City does not indemnify the Nonprofit. Any indemnification of the Nonprofit by the City is prohibited unless expressly authorized by law and approved by the City Council and City Attorney.

12. Open Records and Transparency

12.1 Open Records. City records related to Support are subject to the Oklahoma Open Records Act. Confidentiality commitments inconsistent with public disclosure obligations will not be accepted.

12.2 Nonprofit Cooperation. To the extent records relate to City business or are in the City's possession or control, the Nonprofit shall cooperate with the City in responding to records requests, including timely production of relevant documents to the City.

12.3 Meetings and Public Communications. Where a Nonprofit collaborates with the City on programs that involve public meetings or official City communications, the City's transparency and notice requirements shall govern.

13. Term, Termination, and Remedies

13.1 Term. The term of any Support arrangement shall be stated in the written instrument, with clear start and end dates, renewal terms if any, and conditions precedent.

13.2 Termination for Convenience. The City may terminate for convenience upon thirty (30) days written notice.

13.3 Termination for Cause. The City may terminate immediately, or after a cure period of fifteen (15) days where feasible, for material breach, violation of law or City policy, failure to maintain insurance, conflict of interest violations, or actions creating material risk to the City.

13.4 Immediate Termination for Bond Risk. The City may immediately suspend or terminate any arrangement that, in the City's judgment, jeopardizes the tax-exempt status of any bonds or violates Section 5.

13.5 Effect of Termination. Upon termination, the Nonprofit shall cease use of City marks and remove recognition materials as directed. Unspent funds held by the City shall be used consistent with any lawful restrictions or returned to the donor if legally required. In-kind materials provided but not installed may be returned or disposed of at the City's discretion.

13.6 Survival. Provisions regarding City control, bond compliance, indemnification, intellectual property, audit, records, open records, and dispute resolution shall survive termination.

14. Administration and Responsibilities

14.1 Responsible Offices. The City Manager's Office shall administer this Policy. The City Attorney's Office shall review legal instruments. The Capital Improvement Project Officer shall oversee Section 5 compliance. The Finance Department shall oversee Section 10 controls.

14.2 Department Duties. Departments shall identify prospective Support early; route proposals for approvals; ensure procurement compliance; coordinate recognition; and maintain required records.

14.3 Training. The City Manager's Office shall provide periodic training and guidance on this Policy, including updates relating to bond compliance and procurement standards.

15. Compliance and Enforcement

15.1 Noncompliance. Acceptance or use of Support in violation of this Policy may result in rejection of the Support, cessation of the activity, contract termination, recovery of funds or materials where permitted, and corrective measures.

15.2 Reporting. Suspected violations shall be reported to the City Manager, City Attorney, Finance Director, or Capital Improvement Project Officer, as applicable.

16. Severability and Amendments

16.1 Severability. If any provision of this Policy is held invalid, the remainder shall not be affected.

16.2 Amendments. This Policy may be amended by the City Council. Administrative guidelines consistent with this Policy may be issued by the City Manager.

REFERENCES: Internal Revenue Code 501(c) 3, Oklahoma Open Records Act, Finance Policies

EFFECTIVE DATE:

RESPONSIBLE DEPARTMENT: City Manager, City Attorney, Finance

STANLEY BOOKER, MAYOR

Approved as to form and legality this ____ day of _____, 2026.

JARI ASKINS, INTERIM CITY ATTORNEY

Appendix A: Checklist for Reviewing Proposed Nonprofit Support

1. Identify the Nonprofit's legal name, 501(c)(3) status, and good standing; obtain mission statement and board contacts. Obtain copy of IRS Determination Letter regarding 501(c)(3) status.
2. Describe the Support, valuation method for in-kind items, valuation for receipt of special legal entitlements or other value received by donor, delivery schedule, and whether it is a Restricted Gift.
3. Determine whether any facility, equipment, or property implicated is Bond-Financed Property/Facility; notify Capital Improvement Project Officer; consult bond counsel as arranged by the City Attorney, if needed.
4. Assess whether the arrangement could create Private Business Use, private payments/security, leases, preferential access, or a Management Contract.
5. Confirm required approvals: City Manager pre-approval; City Attorney legal review; City Council approval if any Section 3.4 thresholds are met.
6. Confirm procurement implications: no vendor pre-selection; no splitting; use standard competitive processes.
7. Confirm Sponsorship/advertising/Naming Rights issues: content standards; signage design and placement; IP and brand approvals.
8. Confirm conflicts of interest and ethics disclosures from City personnel and Nonprofit; address any potential conflicts.
9. Confirm insurance requirements: coverage types and limits; additional insured; primary/noncontributory; waiver of subrogation; certificates and endorsements.
10. Confirm financial controls: payment to City or approved fiscal agent; deposit/accounting; reporting; audit rights; record retention.
11. Confirm Open Records cooperation and transparency expectations.
12. Draft required written instrument with all clauses in Section 4.2; include term, termination, cure, and survival.
13. For Bond-Financed Property/Facility: include "no private use," management contract safe harbor terms, and post-issuance compliance notifications.
14. Prepare Council agenda item, if applicable, with summary of risks, restrictions, financial impacts, and compliance confirmations.

Appendix B: Sample Required Clauses for Donation Agreement/MOU

1. **City Control.** The City retains sole and exclusive control over City operations, personnel, procurement, programs, messaging, and public assets. Nothing in this Agreement shall be construed to delegate City authority or discretion.
2. **No Agency or Partnership.** The Parties are independent. This Agreement does not create an agency, partnership, joint venture, or fiduciary relationship.
3. **Description and Valuation of Support.** Donor shall provide the Support described in Exhibit A. In-kind contributions shall be valued using the methodology described in Exhibit A, subject to City review and acceptance.
4. **Compliance with Laws and Policies.** Donor and its contractors shall comply with all applicable laws and City policies, including procurement, ethics, safety, and risk management requirements.

5. Intellectual Property and Marks. Any use of City names, logos, or marks requires prior written approval and is licensed on a limited, revocable, nonexclusive basis, subject to City brand standards. Donor shall not imply City endorsement.
6. Recognition; Content Standards. Donor recognition and any Sponsorship or advertising shall comply with City content standards, be subject to City approval, and shall not include political or partisan messaging.
7. Bond Compliance; No Private Use. If the Support relates to Bond-Financed Property/Facility, the Parties shall comply with applicable tax-exempt bond requirements. The arrangement shall not create Private Business Use or private payment/security beyond permitted limits.
8. Management/Service Contract Safe Harbors. Any services relating to Bond-Financed Property/Facility shall comply with applicable IRS safe harbors, including no net profits sharing, reasonable compensation, no bearing of net losses, appropriate term limits, City control of operations and rates, City risk of loss, and no impermissible roles or relationships.
9. Insurance. Donor shall maintain insurance with coverages and limits acceptable to the City, name the City as additional insured on liability policies, provide primary and noncontributory coverage, and include waivers of subrogation where appropriate. Certificates and endorsements shall be delivered prior to activity commencement.
10. Indemnification. To the extent permitted by Oklahoma law, Donor shall defend, indemnify, and hold harmless the City, its officers, and employees from and against claims, damages, losses, and expenses arising out of or related to Donor's acts or omissions or those of its contractors, vendors, or volunteers.
11. Financial Controls; Audit; Records. Funds shall be paid to the City or an approved fiscal agent. Donor shall provide reports as requested. The City may audit records reasonably related to this Agreement. Records shall be retained for not less than 10 (ten) years.
12. Open Records and Transparency. Donor acknowledges that City records are subject to the Oklahoma Open Records Act and shall cooperate by providing documents reasonably necessary for the City to respond to requests.
13. Conflicts of Interest and Ethics. The Parties shall comply with applicable ethics and conflict laws and City policies. Donor shall disclose any relationships or interests relevant to the Support.
14. Term and Termination. The term shall commence on the Effective Date and continue until end date. The City may terminate for convenience upon thirty (30) days notice. Either Party may terminate for cause after a fifteen (15) day cure period, or immediately for violations of law, material risk, or jeopardy to bond tax status.
15. Effect of Termination. Upon termination, Donor shall cease use of City marks and remove recognition materials as directed. Unspent funds held by the City shall be used consistent with lawful restrictions or returned if legally required. Materials provided but not installed shall be returned or disposed of at the City's discretion.
16. Notices; Integration; Governing Law. Notices shall be given as set forth herein. This Agreement constitutes the entire agreement and is governed by the laws of the State of Oklahoma.

17. Miscellaneous. No assignment without City consent. No third-party beneficiaries. Amendments must be in writing and approved as required by City policy.