

**CITY OF EL PASO, TEXAS
AGENDA ITEM
AGENDA SUMMARY FORM**

DEPARTMENT: Mayor & Council

AGENDA DATE: November 12, 2024

CONTACT PERSON NAME AND PHONE NUMBER: Representative Josh Acevedo – 915-212-0002

DISTRICT(S) AFFECTED: District 2

STRATEGIC GOAL

Goal 4 - Enhance El Paso's Quality of Life through Recreational, Cultural and Educational Environments

SUBJECT:

Discussion and action to accept a grant in the amount of \$2,000.00 from Marathon Petroleum Company for two Fall Festivals in District 2.

BACKGROUND / DISCUSSION:

The office of District 2 held a Fall Festival at Memorial Park on October 5, 2024 and another one at Sunrise Park on October 12, 2024. Marathon Petroleum Company has offered a grant of \$2,000.00 to cover costs associated with food, beverages, and event games and activities.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

City Council has accepted grants in the past.

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

N/A

*****REQUIRED AUTHORIZATION*****

Molina, Marc F.

From: Halpern, Alberto T.
Sent: Friday, September 27, 2024 9:42 AM
To: Molina, Marc F.
Subject: FW: [EXTERNAL] donation help

Here is the email from Marathon Petroleum regarding the grant.

From: Smith, VJ V. <VJSmith@Marathonpetroleum.com>
Sent: Friday, September 27, 2024 9:34 AM
To: Halpern, Alberto T. <HalpernAT@elpasotexas.gov>
Subject: Re: [EXTERNAL] donation help

CAUTION: This email originated from outside of the City of El Paso. Do not click links or open attachments unless you recognize the sender and know the content is safe. If suspicious, use **Phish Alert** or forward to SpamReport@elpasotexas.gov.

Hi Alberto

We prefer that the contribution be considered a grant. I am traveling and would like to ask if you could please submit the necessary paperwork to the City staff as a start. If that doesn't work I will circle back with you to help.

Also please use this email as verification that we prefer to continue forward as labelling this as a grant.

Thanks! VJ

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From: Halpern, Alberto T. <HalpernAT@elpasotexas.gov>
Sent: Thursday, September 26, 2024 12:14 PM
To: Smith, VJ V. <VJSmith@Marathonpetroleum.com>
Subject: [EXTERNAL] donation help

VJ,

I apologize for this email, though City staff is requiring me to get some information from you. They are concerned that the email offering us the \$2,000 donation used both "donation" and "grant." Can you submit a letter to us explaining that it is a donation? I will paste the email I received below so to help you follow their specific instructions.

Feel free to email or call if you have questions or concerns.

Thank you!

Here's the email I received from city staff:

Good Morning Alberto:

I am reaching you to you from the Office of the Comptroller (OTC) regarding a check received earlier this month from Marathon Petroleum Corporation, in the amount of \$2,000.00. I understand you are new to the process of receiving donations and/or grants, so I wanted to take the opportunity to better identify our position in accepting the funds.

OTC is responsible for depositing the funds, however, prior to the deposit, we must identify the proper accounting method. We will need more information that I believe you may be able to provide.

I received a copy of the letter provided by Marathon awarding the funds, however the language in the letter is ambiguous, as it refers to the funds as both a donation and a grant. The definition for grants and donations varies vastly. Therefore, we must identify the source of the funds based on the definition of the intended award.

- Were the funds award sent to the City of El Paso as a DONATION or a GRANT?
 - a. If the funds awarded were intended as a true donation, we will need additional instructions (a letter would be sufficient) stating the funds are designation as a donation with no further terms or stipulations, i.e. removal of page 2 and removing verbiage of a grant.
 - b. If the funds awarded were intended as grant (per the instruction on page 2 on the award letter), we will need your office to submit a Grant Information Form (GIF), Part B. Review and authorizing signatures will be required.

Keep in mind, funds awarded to the City can only be classified as a donation, if and only if the awarded funds are not subject the grantee's direction or any other requirements or terms. An example of the terms might be (but not limited to) specific reporting requirements, a purpose on how the funds may be disseminated, instructions if the funds are to be returned based on certain criteria, etc.

If any terms or restrictions exist, we must account for the distribution of the funds and we will be required to set up a grant/project ID for tracking purposes. This will require additional paperwork from your office as indicated above. This, along with personnel training, will start the process for the grant.

Given that the award letter does not specifically stipulate the position of funds, the characterization of the funds will have to be managed as a grant, unless you are able to obtain further instructions identifying the award as a true donation.

I hope this helps explain our position on accepting this deposit. Please feel free to reach out to us if you have any additional questions. Be advised, we are under time constrains to deposit these funds, so a prompt reply is greatly appreciated.

Alberto Halpern
Legislative Aide
City Representative Josh Acevedo, District 2
915-212-0002



City Representative Josh Acevedo, Ed.D. – District 2

November 5, 2024

Re: Grant from Marathon Petroleum Company.

To Whom It May Concern:

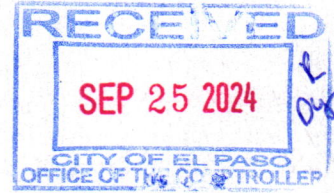
On August 7, 2024, our office reached out to VJ Smith of Marathon Petroleum Company. During that conversation, we asked for a grant in the amount of \$2,000 to help fund food, beverages, and games during two Fall Festivals held in District 2. The first event took place at Memorial Park on October 5, 2024 and the second took place at Sunrise Park on October 12, 2024.

Sincerely,

A handwritten signature in black ink that reads "Joshua Acevedo". The signature is written in a cursive style.

Dr. Josh Acevedo
District 2 City Representative

Marathon Local Giving
 Marathon Petroleum Corporation
 Foundation Source, Administrator
 501 Silverside Road, Suite 123
 Wilmington, DE 19809



CITY OF EL PASO
 Attn: OFFICE OF COMPTROLLER
 300 N. CAMPBELL ST
 EL PASO, TX 79901



Marathon Petroleum Corporation
 Foundation Source, Administrator
 501 Silverside Road, Suite 123
 Wilmington, DE 19809
 (800) 839-1754

WEBSTER BANK
 360 HAMILTON AVENUE
 WHITE PLAINS, NY 10601
 50-7044/2219

456053
09/20/2024

*****Two Thousand Dollars And 00 Cents***** **\$2,000.00**

VOID AFTER 180 DAYS

Pay **CITY OF EL PASO**
 To The **Attn: OFFICE OF COMPTROLLER**
 Order Of: **300 N. CAMPBELL ST**
EL PASO, TX 79901


 Erin Harrigan

Memo:

⑈456053⑈ ⑆221970443⑆ 3310001201⑈

WEBSTER BANK

Marathon Local Giving

456053

Reference No.	Description	Date	Amount
636188	Grant Purpose: El Paso City Park Festival Events		2,000.00
Memo:			
Check Date	Check No.	Payee	Check Amount
09/20/2024	456053	CITY OF EL PASO	\$2,000.00

ENDORSE HERE:

CHECK HERE IF MOBILE DEPOSIT
DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
★ RESERVED FOR FINANCIAL INSTITUTION USE ★



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Results of document alteration

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Colored Pantograph	• The face of this document contains a colored check background.
Coin Reactive	• The back of check will not change color when rubbed with a coin.

L80510B14



September 20, 2024

City of El Paso c/o District 2
300 N. Campbell St.
El Paso, TX 79901

Re: El Paso City Park Festival Events

Dear Sir or Madam:

Marathon Petroleum Company is committed to collaborating with our stakeholders to invest in organizations and initiatives that make a positive, meaningful impact in communities where we operate.

We are pleased to announce that Marathon will be making a donation in the amount of \$2,000 to your organization for the above referenced purpose. Enclosed, please find our check.

This grant is subject to the terms set forth in the attached agreement (i.e., Grant Terms). By accepting the grant funds, City of El Paso indicates it agrees to said terms.

We are proud to support your organization. Best wishes for success in your work.

Sincerely,
VJ Smith
Marathon Petroleum Corporation

GRANT TERMS



Grantor: Marathon Petroleum Company (the "Grantor")

Grant Recipient: CITY OF EL PASO (the "Grantee")

Grant Amount: \$2,000

Grant Purpose: El Paso City Park Festival Events (the "Purpose")

- a. **Tax Status:** The Grantee represents and warrants that it is an exempt governmental unit treated as a public organization under Internal Revenue Code Section 509(a)(1).
- b. **Grant Purpose and Expenditure of Funds:** The grant funds must be used exclusively for the Purpose and may not be used for any other purpose unless the Grantee obtains the Grantor's prior approval in writing. However, if applying the funds towards the Purpose would require the Grantee to distribute the grant funds without the Grantee's discretion to another entity or individual, this grant will be deemed general and unrestricted with a non-binding recommendation that the grant funds be used for the Purpose. Additionally, the Grantee will not use any of the grant funds to satisfy a charitable pledge or obligation of any person or organization other than the Grantor.
- c. **Responsibility:** Grantee understands and agrees to assume all risk and danger related to the Project and further agree to assume all responsibility for, and all risk of damage to, property or injury to person that may occur as a result of the Project.
- d. **Return of Grant Funds:** The Grantee agrees to return any grant funds not expended for the purposes described above to the Grantor, c/o Foundation Source at 55 Walls Drive, 3rd Floor, Fairfield, CT 06824-5163. The Grantee may need to return the enclosed grant if the Grantee is no longer recognized by the Internal Revenue Service as having the above described tax-exempt status.
- e. **Other Terms:** These Grant Terms encompass the entire agreement between the parties and supersede all previous understandings and agreements between the parties, whether oral or written. This grant is subject to these Grant Terms; by cashing the grant check, the Grantee indicates its agreement to these terms. If check is not cashed within 180 days, it will be voided.