

CITY OF LA PALMA

COUNCIL POLICY

NUMBER: 5

DATE (Adopted/Amended): March 20, 2018

SUBJECT: Contributions and Donations

POLICY:

It shall be the policy of the City Council to consider the following when an organization or individual makes a request for a contribution or donation from the City of La Palma:

1. The City Council shall strongly consider the funding of projects that protect and/or improve the health and safety of individuals and facilities located in the City of La Palma's jurisdiction.
2. The project or activity for which funds are requested shall promote the City of La Palma and/or contribute to the quality of life for La Palma's residents.
3. The organization shall demonstrate that it has already secured substantial funding from other sources, including personal finances, fundraising, etc. The City of La Palma shall not be the first entity from which funds are requested.
4. The organization must be based in the City of La Palma and/or the project must directly benefit La Palma or its residents.
5. All requests for funding shall be submitted in written form, directed to the City Council, and delivered to the City Clerk. The application shall include the following criteria:
 - a. The name, address, and contact information of the organization;
 - b. The non-profit status of the organization;
 - c. A description of the program or project for which funding is being requested;
 - d. The amount of funding being requested and a description of how these funds will be used;
 - e. A description of the overall project or program budget;
 - f. A description of the number of citizens in the community that will benefit directly by the expenditure as well as the ratio of La Palma residents served to the total number of individuals served;
 - g. A statement of adherence to the stated policies of the City of La Palma;
 - h. A description of whether or not a public need will go unmet without the contribution and whether the program or project is a duplication of another service provided locally;
 - i. A description of how the goodwill of the City of La Palma will be promoted through the expenditure;

- j. A description of how the project or program will be recognized as a contribution to the health, safety, or welfare of the community;
 - k. A description of how the program or project will further the City Council's adopted goals for the year;
 - l. A statement of whether or not the contribution could expose the City to civil liability;
 - m. A presentation of the percentage of administrative costs of total program costs. Administrative costs should not exceed 15% of total program costs;
 - n. A description of the degree to which the members of the organization have engaged in other fund-raising activities;
 - o. A description of whether the organization has applied for funding from other public agencies; and
 - p. A statement that the organization will not discriminate in employment or in clients served because of race, religion, national origin, sex, age, disability, sexual orientation, or marital, familial or veteran's status.
6. City staff will evaluate the request for funding according to the criteria in this policy. If the funding request meets the criteria of the policy, a recommended action will be made to the City Council. A subcommittee of the City Council may be formed on an ad hoc basis to evaluate funding requests should the request's applicability to the criteria be unclear.
7. Priority shall be given to capital projects and those that have a long-term effect on the community versus one-day, one time activities.
8. Funding should be used to benefit the community at large and not simply the members of the organization requesting funding.
9. Funds will not be allocated to:
 - a. political action committees, political candidates, or political campaigns;
 - b. any organization conducting a religious activity (religious organizations that are seeking funding for wholly secular programs or projects will be considered); or,
 - c. organizations conducting a fund-raising activity or event (City sponsored activities or events are not covered by this policy).
10. A written follow-up report shall be provided to the City Council after the event or project for which funding is provided by the City of La Palma has concluded. The report should include a summary of the event and how the funds were expended and should be presented within 45 days of the completion of the event or project. The organization shall keep receipts and other proof of expenditures on file for City inspection for a period of two years.
11. Organizations requesting funding shall be informed that the receipt of money from the City of La Palma is not guaranteed by virtue of a request.
12. Funding of a program or activity will not constitute a precedent for contributions in subsequent years. On the contrary, funding priority will be given to organizations that have not previously received funding from the City.

BACKGROUND:

This policy was originally adopted on November 2, 1999 and was amended previously on August 16, 2005 and December 16, 2008. The policy was created to allow the City Council and staff to respond to a variety of requests from organizations and individuals for financial assistance. This policy was amended March 20, 2018, to change the review period.

REVIEW:

This policy is to be reviewed as needed.