

RESOLUTION NO. 211279 AUG 8 1974

RESOLUTION AMENDING COUNCIL POLICY
NO. 100-3 REGARDING FUNDING OF PRIVATE
ORGANIZATIONS.

WHEREAS, Council Policy No. 100-3 was adopted by
Resolution No. 183022 on March 9, 1965 and amended by
Resolution No. 191654 on September 21, 1967; and

WHEREAS, the Council now desires to further amend
Council Policy No. 100-3 to reflect current promotional
funding philosophy to attain maximum benefit from and
accountability of funds allocated; NOW, THEREFORE,


BE IT RESOLVED, by the Council of The City of San Diego
as follows:

That Council Policy No. 100-3 regarding FUNDING OF
PRIVATE ORGANIZATIONS be and is hereby amended as set forth in
the form of Council Policy filed in the office of the City
Clerk as Document No. 748223.

BE IT FURTHER RESOLVED, that the City Clerk is hereby
instructed to add the aforesaid to the Council Policy Manual.

BE IT FURTHER RESOLVED, that Resolution No. 183022,
adopted March 9, 1965, and Resolution No. 191654, adopted
September 21, 1967, are hereby rescinded.

APPROVED: JOHN W. WITT, City Attorney

By 
Jack Katz
Chief Deputy City Attorney

JK:K
5-10-74

DOCUMENT NO. 748223

CITY OF SAN DIEGO
COUNCIL POLICY

FILED AUG 13 1974
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

Subject	Policy No.
FUNDING OF PRIVATE ORGANIZATIONS FOR OPERATION OR SPONSORSHIP OF COMMUNITY EVENTS	100-3

BACKGROUND

Any package of community services includes elements which cannot be provided through governmental channels either because of a lack of resources or because government may not have the necessary expertise to provide the service. Such services, if they are to be offered, must be provided by private organizations with private funding. In areas of community scale where the public interest to be served is sufficiently broad, local government can improve its level of service to the community by assisting such efforts financially. Such assistance can also improve the package of services the community enjoys.

In San Diego, the City government assists many private organizations. The pattern of support has developed over the years and is varied depending upon the nature of the service being supported. In some cases, practically full support is required; in other cases a modest contribution is all that is necessary to assist a private organization to provide a well-rounded program. In the ever-growing complexity of community functions, purposes and affairs, some guidelines are needed to assist the Council in receiving and acting upon requests for funding by private organizations.

City funding, under appropriate guidelines, has been in the form of allocations from the General Fund, or from the Transient Occupancy Tax Fund. The Transient Occupancy Tax Fund was established in 1964 for the primary purpose of promoting the City of San Diego. Of the revenues raised from the 6% room tax, 2/3 is placed in Fund 223 for City promotion; 1/6 is placed in the General Fund 100 to meet expenses incurred by the City as a result of tourism; and 1/6 is placed in Fund 224 to be used for such purpose(s) as the Council may direct. The use of Fund 224 monies may include, but is not limited to, funding private, local organizations sponsoring special events and celebrations of significant cultural, educational, recreational or promotional interest to a substantial segment of the general public.

PURPOSE AND INTENT

The purpose of this policy is to establish guidelines and standards for the City Council to utilize in consideration of requests for funding made by private organizations, either for continuing activities or for community events.

Doc. 748223

211279

Council Policy No. 100-3 (Continued)

It is the intent of the City Council that City funding of private organizations be so established as to contribute towards a balance of community cultural, recreational and promotional programs designed to enhance the well-being of the community. It is additionally the intent of the City Council that City funding shall be used only to assist an organization in its annual operating program and not to support capital drives or build up reserves.

It is also the intent of the Council to provide by this policy a set of uniform guidelines governing the application and granting of transient occupancy tax funds to community organizations for the purpose of sponsoring special events of significant cultural, educational or recreational interest to a substantial segment of the general public.

POLICY

A. Private Organization Operational Funding

1. The City will only fund a legally constituted nonprofit corporation completely directing and in complete control of its own affairs through its own officers or members. A representative of the City designated by the City Manager shall serve as liaison with the corporation and shall be permitted to attend all meetings of the board of directors of such organization. He shall be allowed to participate in discussions relating to matters of City interest. Notice of the time and place of all meetings shall be given any designated representative of the City.
2. The functions or services to be performed must be of a nature that the interests of the City are better served by an agreement arrangement with a private organization than by performance of the services or functions by the City.
3. Requests for funding by private organizations shall be submitted by December 15 of each year for the following fiscal year funding and must be accompanied by: a detailed operating budget showing the source of revenues for operations and the nature of all proposed expenditures by object; an audited financial statement covering the organization's last complete fiscal year relating actual revenues and expenditures to the budget estimates for that year and indicating any operating surplus or deficit; and a statement outlining the proposed program of the organization for the year for which support is being requested.

Council Policy No. 100-3 (Continued)

4. All requests for support by private organizations will be referred to the City Manager for analysis and recommendation. The City Manager will review requests in the light of the contribution to the service rendered by the organization towards the achievement of community goals.
5. No expenditure may be made out of any appropriation until a written agreement setting out the terms and obligations of the parties has been consummated. The agreement will specify in detail the services or functions to be performed, the nature of the reimbursement schedule and financial reporting requirements.
6. All agreements will provide that any organization receiving financial support from the City agrees that the City will be permitted to inspect all books and records of the private organization and to perform or require audits the City reasonably desires.
7. Agreements will provide that the organization will obtain, unless excused by the Auditor and Comptroller, an audit by a certified public accountant upon the resignation, retirement or discharge of its executive director or other managing agent, or a majority change in the membership of the board of directors, and that a copy of that audit shall be filed with the City before any further City funds are released to the organization.
8. All agreements will provide for the City to withhold funds from the organization and to terminate its entire obligation upon notice to the organization if the organization violates any of the terms of the agreement or for other good cause shown not related to a violation of the terms of the agreement. The City Manager shall thereafter notify the City Council of the notification of termination made to the organization.
9. All present agreements which do not conform to the provisions of this policy shall be revised to so conform as soon as legally possible after the adoption of this policy.
10. Such funding may be allocated from the City's General Fund or from Transient Occupancy Tax Fund 223 or 224, except that in order to qualify for 223 funding, the

Council Policy No. 100-3 (Continued)

activities program or event must be promotional in nature. "Promotion" is defined as a program designed to favorably publicize the City of San Diego--such publicity having as its principal audience persons residing outside the San Diego metropolitan area.

B. Private Organization Special Event Funding

1. The City will only fund a bona fide community organization completely directing and in complete control of its own affairs through its own officers or members.
2. The special event must be a single event which may extend for a period of several days, but which is normally not held more than once annually. Such events would normally be commemorative in nature (4th of July celebration, for example), either in regard to a historic event or in honor of an individual or group (Veteran's Day, for example).

Such events must be primarily designed to be of significant cultural, educational, recreational or promotional interest to a readily identifiable community group or a substantial segment of the general public. Any such event must be open to the public and be free of charge. Donations, however, are not prohibited.

3. Requests for funding by private organizations must be accompanied by a detailed operating budget showing the sources of revenues and the nature of all proposed expenditures by object.
4. All requests shall be submitted on standard budget format including a 50% match of funds (dollars) guaranteed by the community organization or raised from sources other than the City, for the specific event.
5. All requests for support by private organizations will be referred to the City Manager for analysis and recommendation. The City Manager will review requests in the light of the contribution to the service rendered by the organization towards the achievement of community goals.

Council Policy No. 100-3 (Continued)

6. No expenditure may be made out of any appropriation until a written agreement setting out the terms and obligations of the parties has been consummated. The agreement will specify in detail the services or functions to be performed, the nature of the reimbursement schedule and financial reporting requirements.
7. All agreements will provide that any organization receiving financial support from the City agrees that the City will be permitted to inspect all books and records of the private organization and to perform or require audits the City reasonably desires.
8. All agreements will provide for the City to withhold funds from the organization and to terminate its entire obligation upon notice to the organization if the organization violates any of the terms of the agreement or for other good cause shown not related to a violation of the terms of the agreement. The City Manager shall thereafter notify the City Council of the notification of termination made to the organization.
9. No City funds may be used for purchase of awards or prizes to be given at the event or in connection with any competition or drawing held at or as a result of the event. The Council may, at its discretion, impose any other conditions on such City funding as it deems desirable.
10. Such funding as may be approved by the Council shall be solely from the Transient Occupancy Tax Fund 224.

JK:K
7-25-74
7-29-74
7-30-74

AUG 8 1974

Passed and adopted by the Council of The City of San Diego on _____,
by the following vote:

Councilmen	Yeas	Nays	Excused	Absent
Gil Johnson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maureen F. O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lee Hubbard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floyd L. Morrow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Martinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Ellis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Bates	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

PETE WILSON
Mayor of The City of San Diego, California.

EDWARD NIELSEN
City Clerk of The City of San Diego, California.

By *Patricia Polen*, Deputy.

(Seal)

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1974 MAY 15 PM 2:26
SAN DIEGO, CALIF.

Office of the City Clerk, San Diego, California

Resolution Number **211279** Adopted **AUG 8 1974**