



CITY COUNCIL DISCRETIONARY FUNDS POLICY & PROCEDURES

Effective: October 4, 2023

CITY COUNCIL DISCRETIONARY FUNDS POLICY & PROCEDURES
TABLE OF CONTENTS

Introduction	1
Finding of Public Purpose and Consideration to the City of Palmdale	1
What is Discretionary Funding?	1
Demonstrating Public Benefit	1
Eligibility Standards	2
Request and Approval Process	3
Disbursement and Use of Funds	3
Post Funding Requirements	3

Introduction

As stewards of public funds, the City recognizes that the community deserves to know that discretionary funds are going to recipients with the capacity and integrity to provide quality community services. Members of the City Council are authorized to designate Discretionary Funds to meet local needs and fill gaps in City services.

The City Council has established a set of processes for transparency and accountability in the use of Discretionary Funding, including:

- A report of eligible requests will be provided to all members of the City Council, and copies will be publicly available at City Hall and published on the City's website and
- To ensure that the recipient and Councilmembers comply with the guidelines.

This guide describes the discretionary funding policies and procedures of the Palmdale City Council. It is for all interested persons, including community members seeking City Council discretionary funds, City Staff, the public, and all persons, firms, and entities.

Finding of Public Purpose and Consideration to the City of Palmdale

The City recognizes, appreciates, and hereby finds and declares the value of local community members who provide community services and programs that benefit the community and enrich the well-being of its residents. These programs present valuable benefits and consideration while fulfilling public purposes that the City Council and each member deem substantial and material value to the City of Palmdale.

What is Discretionary Funding?

Discretionary funding is an appropriated amount of money in the City's annual budget allocated to a Member of the City Council.

Each Council District receives an annual amount of \$15,000 to serve different community benefit purposes. Some examples of discretionary funding categories include but are not limited to local needs within the Council District, community programs, events, and initiatives. Specific categories may be developed through Council practice over the years and are subject to change.

Demonstrating Public Benefit

By law, all public funds, no matter how awarded, must be used for a public purpose. In general, a public purpose is defined as an activity or service that is open and accessible to all public members regardless of race, creed, gender, sexual orientation, religious affiliation, etc., without restriction. It is imperative for the entity requesting funding through

this program to demonstrate the benefit that funded programs or services will have on the Palmdale Community.

Where it is appropriate for the City to allocate public funds are as follows:

- When an entity provides a service that complements or enhances a service that the City also provides;
- When there is an identifiable secondary or indirect benefit to the City; and,
- When the entity provides a service to augment/complement City services.

Eligibility Standards

Eligibility:

To be eligible for funding, the requestor:

- Must be located within the City of Palmdale or provide community, environmental, or social services to the Palmdale community;
- Must directly provide the community service(s) for which the City funds are sought;
- Must have no outstanding debt due to the City;
- Must not be financially dependent upon receiving City support to meet the budget and operational requirements;
- Can be a recognized entity under the rules of the California Franchise Tax Board, Secretary of State, and the Federal Internal Revenue Service, if applicable
- Have a current Palmdale Business License, if applicable.

Ineligibility:

City discretionary funds may not be used for any of the following activities unless expressly requested by a Council Member:

- Individuals;
- For profit-organizations;
- Political Action Committees (PAC), political candidates, or political campaigns;
- Using funds to challenge City activities, plans, or actions; or
- The payment of outstanding debts
- The purchase of alcoholic beverages;
- Travel, meals, lodging, or entertainment expenses;
- Permanent improvements to any non-City owned structure or property so that it becomes an integral part of the real property, and its removal would do harm to the building or land, including those improvements that are bolted, nailed, screwed, or wired into the wall, ceiling, or floor; or,

- General operating expenses or expenses to support the ongoing operation of the applicant, including, but not limited to, salaries, utilities, and rent expenses.

Request and Approval Process

1. The requesting parties shall submit a funding request via email to discretionaryfund@cityofpalmdale.org.
2. A member of the City Manager's Department will notify the awardee in an email response whether the request is approved or denied.
3. A member of the City Manager's Department will reach out to the awardee for the following information:
 - a. An invoice that includes the following information:
 - i. Legal name and address of the awardee
 - ii. Invoice Date
 - iii. Description of service
 - iv. The Total Amount
 - b. A completed W-9 form <https://www.irs.gov/pub/irs-pdf/fw9.pdf>
 - c. A current Palmdale Business License, if applicable.
4. Once all the required information is received, a payment request will be submitted to the Finance Department, and a check will be issued on the next scheduled check run per the City's payment process.

Disbursement and Use of Funds

1. Funds approved for appropriations must be used per the approved request or returned to the City.
2. A copy of this policy will be included with the funding check payable to the awardee.

Post Funding Requirements

Each awarded entity shall submit a reasonably detailed report, with receipts and proof of expenditures of the funds and proper backup documentation to substantiate those funds were expended appropriately. The report shall be submitted within 30 days of the end of the project or by June 30 of the fiscal year in which funds were awarded. Mandatory documentation is as follows:

- Invoices/receipts documenting the expenditure of funds; and
- A summary that explains all expenditures, including how they specifically benefited Palmdale residents, may include pictures or other documents illustrating the use of the funds.

If funds are not expended in accordance with the City's Request and Approval Process, the awardee will be required to refund the award. The City reserves the right to request additional backup information to substantiate how funds received from the City were

expended. Failure to spend the funds within the approved fiscal year, to provide proper documentation, and/or to utilize the funds for the intended purpose may jeopardize future funding opportunities.

The Finance Department will maintain the pertinent records for the City Council Discretionary Funds, which are public records.

Copies of the written report specified in the section above must be submitted to the City Manager's Department, 38300 Sierra Highway, Suite A, Palmdale, CA 93550, outlining how the funds were used within 30 days of the expenditure. This report may be any reasonable form that sets forth all required proof of records. If you have any questions regarding the Council's Discretionary Funds, please contact the City Manager's Department at 661-267-5115.