

# DISCRETIONARY FUNDS POLICY

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Item 3.1

Note: The committee gave direction to revise the Council Policy Manual (CPM) 5.10 to incorporate CPM 2.04 for travel reimbursements, establishing an application process, with the following clarifications: “community benefit” to be clarified as “within the City of Stockton Sphere of Influence, including nearby County jurisdictions, with a clear impact to the City of Stockton”; requirement to include who will benefit on the application; Applications/awards to be made on a rolling basis; Application to be available online; Acknowledgement of CPM 5.10 form. Acknowledgement form to be signed by Councilmembers on annual basis, as well as Council policy manual 5.10 reports to be presented to the Audit Committee annually. Membership dues will remain but additional documentation to justify the “community benefit” consistent with the application process, lastly the “Responsibilities” section to be clarified to be consistent with practice (i.e., CAO review for legal compliance with the policy and CMO review for budgetary compliance).

**AUGUST**  
**25, 2025**

## 5.10.010(3) Definitions

“Community Benefit” means an activity or service that is open and accessible to all members of the public, regardless of race, gender, sexual orientation, religious affiliation, etc., taking place within the City of Stockton sphere of influence, including nearby County jurisdictions, which has a clear impact for the residents of the City of Stockton.

“Personal Benefit” means a value or profit obtained by the individual Councilmember, not the general public, that directly improves the economic or political condition of that person.

“Sponsorship Event” means a ticketed event which gives exclusive seating, meals, drinks, or other benefits to only ticketed participants.

## 5.10.010(4)(A) Application Process

Councilmembers are authorized to expend discretionary funds or may be reimbursed from their discretionary funds for expenditures made in connection with community activities or events if the following conditions are met:

iv) The party seeking financial support through discretionary funds completed and submitted an application with the following information:

a) The name of the party requesting the funds, including, as applicable, the organization structure;

b) Event information, including the date and location;

c) Description of the community benefit, including an explanation of what City residents of Stockton will be directly impacted by the event;

d) The amount of requested;

e) To whom the amount will paid to;

f) Completed W-9; and

g) Signed acknowledgement form.

## 5.10.010(4)(B) Travel Reimbursement

Councilmembers are authorized to expend discretionary funds or may be reimbursed from their discretionary funds for expenditures made on travel-related expenses if the following conditions are met:

iii) All conditions of Council Policy Chapter 2.04 have been met.

## 5.10.010(4)(C) Membership Reimbursement

Councilmembers are authorized to expend discretionary funds or may be reimbursed from their discretionary funds for expenditures made for membership expenses if the following conditions are met:

- i) The membership ~~H~~has a ~~C~~ommunity ~~B~~enefit.
- ii) The membership is ~~C~~annot ~~a~~be ~~P~~ersonal ~~B~~enefit.
- iii) The membership is not political or religious in nature.

## 5.10.010(4)(D) Sponsorship Events

Councilmembers are authorized to expend discretionary funds or may be reimbursed from their discretionary funds for expenditures made for Sponsorship Events if the following conditions are met:

- i) The event or the proceeds of the event have a Community Benefit.
- ii) The event is not religious or political in nature.
- iii) The expenditure does not have a Personal Benefit.
- iv) Additional tickets may be purchased for participants other than the Councilmember expending their discretionary funds. If additional tickets are purchased, the Councilmember will include a list of all participants in their request for expenditure form.

# 5.10.020(2)(A) Acknowledgement Form

A) All Councilmembers shall annually review the requirements of this Chapter. The Councilmembers shall execute an acknowledgment form by the end of July each fiscal year or within 30 calendar days of any changes to this policy, recognizing the requirements and obligations set forth herein.

ATTACHMENT D

**COUNCIL POLICY CHAPTER 5.10  
COUNCILMEMBER ACKNOWLEDGEMENT FORM**

I, \_\_\_\_\_, acknowledge that I have read and understood Council Policy Manual Chapter 5.10, Mayor and Council Discretionary Funding, and that I will adhere to all of the rules set forth therein.

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



## 5.10.020(2)(C) Audit Committee Review

C) Once a year, but no later than the last day of May, all discretionary expenditures from the preceding year will be presented to the City of Stockton Audit Committee in a public session for review. During this review the Committee will review the expenditures for compliance with this policy and may make appropriate recommendations to the City Council, if any, including any necessary enforcement needed under section 5.10.010(6) of this policy.

## 5.10.030 Responsibilities

City Attorney's Office: Review requests for legal compliance with City policies and processes; forward the request to the City Manager's Office for review.

City Manager's Office: Review requests for budgetary compliance ~~with City policies and processes~~; prepare and forward requests for expenditures to the Administrative Services Department.

**CITY COUNCIL DISCRETIONARY FUNDS  
REQUEST FOR EXPENDITURE**

**Account Number:** \_\_\_\_\_

**Submission Date:** \_\_\_\_\_

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**Current Council Policy Manual Chapter 5.10 Acknowledgement Form on File?**

**Type of Expenditure:**

Select the category of authorized expenditure from Council Policy Chapter 5.10 and attach the corresponding documentation for the selected expenditure.

**CPM 5.10.010(4)(A)**  
Community Application

**CPM 5.10.010(4)(B)**  
Travel Reimbursement

**CPM 5.10.010(4)(C)**  
Membership Reimbursement

**CPM 5.10.010(4)(D)**  
Sponsorship Event

**UPDATED  
FORM**

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# Additional Changes

- Dates to signature lines
- Acknowledgement form to be maintained by the Clerk's Office

# Recommendation

- It is recommended that the Legislation and Environmental Committee receive information regarding potential changes to Chapter 5.10 of the Council Policy Manual, “Mayor and Council Discretionary Funding,” provide staff with direction and consider forwarding a recommendation to the City Council to revise this policy.