

CITY OF RANCHO SANTA MARGARITA City Council Policy	Policy Number: 2.7
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PURPOSE

The purpose of this Policy is to establish a formal process during the City's annual budget process for consideration of funding requests by groups, events or organizations that benefit the Rancho Santa Margarita community.

BACKGROUND

It has been the practice of the City of Rancho Santa Margarita to allocate funds to community-based programs and activities conducted by organizations which provide valuable services to the community of Rancho Santa Margarita. Commonly referred to as "Tin Cup" donations, this allocation of funding has historically occurred during the City's annual budget process.

POLICY

In order to effectively and equitably respond to requests for funding, the following guidelines shall be followed:

- 1) The City Council will determine the level of charitable funding annually in conjunction with the City's budget process.
- 2) All funding requests are encouraged to be submitted on an application (see Attachment A) that is available through the City's Finance Department or can be downloaded from the City's website at www.cityofrsm.org. Organizations may provide additional supporting documentation (i.e. letters) with the application that further substantiates their funding request. Completed applications may be submitted on a continual basis throughout the fiscal year and the City Council will review the funding requests at the annual budget workshop in spring. Staff will remain flexible in receiving the requests on a continual basis, however, late submittals may be held over to the next fiscal year. The date of the budget workshop will be publicized in advance so that community organizations are aware of the submittal date. It is highly encouraged that organizations requesting funding have a representative attend the budget workshop to speak on behalf of the funding request.

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- 3) The City Council shall utilize the following funding philosophy when considering charitable funding requests:

The City Council will consider requests for funding received from community-based organizations during the regular budget process. Due to limited resources, not all requests can be funded. Therefore, it is the City Council's intention to evaluate each proposal independently of one another, and based upon available funds and the merits of each proposal, provide money to those organizations which most effectively serve the needs and improve the well-being of Rancho Santa Margarita residents.

Further, the City Council encourages a goal of self-sufficiency for all community-based organizations seeking City funding. City-allocated funds are not intended to provide on-going funding to established programs and services, except where the City Council finds merit for funding consistent with the community-need philosophy stated in the paragraph above.

Funding received shall not be used for any subversive, political or religious activity. In addition, the City Council will not consider any funding request that represents a direct conflict of interest to the interests of the City of Rancho Santa Margarita.

- 4) The City Council will consider each funding request at the annual budget workshop. Council will provide direction to staff to prepare a list of events and/or organizations whose funding requests will be considered as part of the budget. Staff shall then prepare a staff report outlining the event or organization and the amount of funding requested. In addition, the staff report will include the funding request application form and any supporting materials from the organization requesting funding from the City.
- 5) Following the annual budget workshop, the staff report shall be placed on the City Council agenda for formal action. If approved, the Finance Department will process the contribution for the event or organization.
- 6) At the close of the fiscal year (June 30), all City appropriations cease and any unallocated funding will not be carried over to the next fiscal year.