

CITY OF PENSACOLA
CITY COUNCIL
DISCRETIONARY FUND POLICY

PURPOSE:

The Pensacola City Council values and recognizes the importance of community programs, projects and events that:

1. Advance Council-adopted goals, City-Wide policies and the City's strategic planning;
2. Promote the City of Pensacola;
3. Support non-profit organizations or individuals serving the community;
4. Are held for the general economic benefit of Pensacola's diverse business and cultural communities; and
5. Support the City's community and/or planning and neighborhood objectives.

This policy will provide the basis for the use of discretionary funds within the current budget to fund such programs, services and events. It will also provide the procedure for the appropriation, approval and administration of said discretionary funds.

1. Policy Application

Discretionary funds may be allocated to non-profit organizations as defined by the IRS and/or registered with the State of Florida, community-based organizations, or individuals, provided they meet the criteria and purpose of this policy.

This Policy only applies to sponsorships or grants using budgeted City Council Discretionary Funds. This Policy does not apply to other sponsorship or grant programs at the City (e.g. CDBG).

2. Definitions

- A. *Sponsorship*. Funds provided to a non-profit organization or individual to support a specific event.
- B. *Grant*. Funds provided to a non-profit organization or individual for a specific project or program.

3. Eligibility for Funding/Sponsorship

The City intends to fund programs, projects and events that align with Council goals. The intent is that the general public will receive some intrinsic civic, cultural, educational, entertainment, community or economic value from the program, project or event.

4. Public Purpose

All funds, however awarded, must be used for a public purpose. In general, a public purpose is defined as an activity or service that is open to all members of the public, regardless of race, creed, gender, sexual orientation, religious affiliation, etc., without restriction and which does not promote a particular religion. This program does not allow support for individual gain, and is not intended to provide City support for a specific business purpose or general commerce enterprise.

5. Appropriation of Discretionary Funding

The City budget will appropriate \$10,700 for each City Council Member for their use towards neighborhood projects, community events, viable not for profit organizations or causes deemed to be a valid public purpose. For Council members not in office for the full fiscal year, this amount will be prorated to the period they are serving during the fiscal year.

- Any discretionary funding allocated to Council Members that is not expended within the fiscal year allocated will be carried over for one (1) fiscal year. Discretionary fund allocations that are not expended prior to an individual Council Member leaving the office will not be included in the Non-Encumbered Carryover Resolution and will instead be placed within the General Fund available Fund Balance.

6. Process for Sponsorship of Programs/Events

- A. The City Council Discretionary Fund Disbursement Request (Attachment 1) will be submitted for each recommended disbursement. Disbursement of discretionary funds can be made to non-profit organizations authorized to do business in the State of Florida, or to other approved city projects to improve or enhance city facilities and properties. When providing funding to outside nonprofit agencies, the Discretionary Fund Award Agreement (Attachment 2) will be utilized to provide details of the organization and the municipal purpose for the funding.
- B. Discretionary Funds will normally be disbursed as a reimbursement for the approved municipal purpose provided when supporting invoices or other documentation is provided. If disbursement of discretionary funds for a municipal event are deemed appropriate in advance of the municipal purpose, documentation of the valid expenditure of those funds must be provided in accordance with the provisions of the Discretionary Fund Award Agreement (Attachment 2) to provide for proper safeguard to assure the accomplishment of the intended public purpose.
- C. Prior to any distribution of grant or sponsorship funds, approval by City Council is required.

7. Conflicts of Interest

To prevent abuse or misuse of the Council's discretionary funding authority, strict rules govern conflicts of interest between Council Members, their staffs, family and associates and organizations receiving Discretionary Funds.

The following are general guidelines. Please direct questions regarding the utilization of conflict rules to specific cases to the Office of the City Attorney.

- Council Members are prohibited from sponsoring discretionary funding for an organization at which the Council Member serves as an employee, officer, or board member (except *ex officio*).
- Council Members may sponsor funding for an organization where an "associated" person (a family member or other person with whom the Council Member has a financial or business relationship) is an officer or employee so long as the associated person will not benefit, or appear to benefit from the funding.
- At the time of voting, Council Members are required to disclose on the record any potential conflicts of interest with organizations funded by other Council Members.
- Organizations are required to disclose any potential conflicts of interest at the time of their application.