



# City Council Non-Profit Fund Policy

Adopted July 2, 2025

Resolution 2025-XXX

## **I. PURPOSE**

To provide a uniform structure for the submission of requests and allocation of the Council Non-Profit Fund ("Non-Profit Fund") to local non-profits, and to establish guidelines for the for the authorized use of these funds.

## **II. POLICIES REGARDING NON-PROFIT FUNDS:**

1. The City Manager, as part of the proposed budget each year, may allocate up to \$20,000 for each Council District into the Non-Profit Fund. In years the City budget is not structurally balanced, there may be a reduced amount or no allocation into the Non-Profit Fund for this purpose.
2. The City Clerk will maintain and track the uses of the Non-Profit Fund by each Council District.
3. Unspent dollars in the Non-Profit Fund will not be carried forward in the following fiscal year. The City Clerk shall provide a Non-Profit Fund balance report at the beginning of third quarter of each fiscal year, to provide an opportunity for Council Members to make recommendations for allocations before the end of the fiscal year.
4. A Councilmember, upon review of the merits and needs of the proposed projects or activities, will direct the City Clerk to prepare recommendations for the Council's review and consideration regarding the use of the Non-Profit Fund. Allocations from the Non-Profit Fund must be approved by a simple majority vote of the Council.
5. Council approval of Non-Profit allocations should be based on the following:
  - a. Funding requests must align with the City Council Strategic Vision and requests should describe how they comply with the Council's Goals and City policies.
  - b. Non-Profit Funds can be used as start-up funds for community programs or activities benefitting the community within the City of Lodi.
  - c. The recommended projects or activities will primarily result in public benefit within the City limits.
  - d. The recommended projects or activities will have a nexus to City operated or funded programs.
  - e. Funding for projects or activities is a one-time allocation and shall not be considered ongoing funding support.
  - f. Any organization receiving funding must agree to be audited or present progress reports to Council as required by the City.

- g. Funds cannot be allocated on a retroactive basis.
  - h. Organizations receiving these funds must attest that they will not be used for political, discriminatory, or any unlawful purposes.
6. Council Members may identify projects or activities proposed to be funded by the Non-Profit Fund, to be included as part of the upcoming budget. Once identified, the City Manager will include these projects and/or activities as part of the proposed budget to be considered by the City Council during final budget hearing. If approved, these projects and/or activities will not require a separate Council review and will be implemented by appropriate City staff. Projects not approved in the annual adopted budget will require a separate Council item and be approved by a simple majority vote of the City Council.

### **III. LEVINE ACT AND CAMPAIGN DISCLOSURE REQUIREMENTS**

The Levine Act, California Government Code Section 84308, was enacted to prevent conflicts of interest by restricting public officials from participating in decisions involving entities from which they received campaign contributions. Under the Levine Act, as may be amended from time to time, if a public official has received contributions of more than \$500, from a party involved in a decision within the previous 12 months, they must disclose the contribution and recuse themselves from participating in the decision.

Pursuant to the Levine Act, Council Members who receive campaign contributions of \$500 or more from organizations, including an organization's board members and/or officers, who are requesting funding must comply with the Levine Act.

### **IV. ADMINISTRATION AND REPORTING**

To address the need for a uniform process and ensure compliance with City of Lodi policies and procedures, the following requirements are set forth for the submission, processing, and award of grants from the Non-Profit Fund.

1. Non-profit organizations, that wish to apply for allocations from the Non-Profit Fund, must submit a letter ("Proposal Letter") to a City Council Member or City Clerk, providing the following details:
  - Contact name, phone, and email
  - Full legal name of organization
  - Complete address of the organization
  - Description of Organization
  - Mission Statement
  - Federal Tax Status: 501(c)(3) or other
  - List of current Board members and officers, if any

- Brief description of the project/program and how it relates to the City Council's Strategic Vision and one or more of Council's Goal
  - Funding amount requested
  - Objectives for the requested funding
  - Performance indicators/Measurement of success
  - Communities that will benefit from use of the requested funds
  - Any additional information relevant to the request
2. Written justification must be provided for organizations that have received Non-Profit Funds in prior years.
- Proposal Letters must include the total Non-Profit Funds received in prior years and the reason for requesting additional funding.
  - For funding requests to organizations located outside the City's limits, Proposal Letters must include explanation of local benefit.
3. The City Clerk shall agendaize an item for Council review and approval, providing all relevant information for the City Council to review the submitted non-profit Proposal Letters and make a well-informed decision regarding the allocation request(s).
4. If approved by the City Council, the successful non-profit organizations shall submit quarterly status reports to the City Clerk for the life of the project.
- As part of each quarterly financial cycle, the City Clerk will report activity of these funds to the City Council summarizing all awarded Non-Profit Funds and available balances.

These recommendations aim to enhance procedural consistency, transparency, and compliance in the administration of award from the Non-Profit Fund.