

# Community Sponsorship Policy

## OVERVIEW

City Council recognizes the importance of providing support for community programs that are held for the general economic benefit of the City's business community; support of nonprofit organizations serving Salinas residents; cultural, athletic and educational enrichment; and/or promotion of the City of Salinas.

In order to expand access to a wide range of cultural experiences and community connections for all its residents, the City of Salinas provides limited assistance, if the budget allows, through in-kind and cash sponsorships to local organizations in support of community programs that serve a public purpose. The intent is that the general public will receive some intrinsic cultural, educational, or entertainment value from the community program.

## PURPOSE

The purpose of this policy is to establish a standardized process for sponsorship awards to qualifying non-profit community organizations, youth athletic groups/organizations, educational groups, or individuals, that provide a public benefit for the City's residents.

## DEFINITIONS

**Community Sponsorship Fund** – Funds set aside by City Council each year to offset the costs of providing City support for community programs.

**Organization** – Includes for-profit or not-for-profit organizations, corporations registered to do business in the State of California; educational institutions; government agencies; and individuals.

**Program** – A program, event, fundraiser, athletic, cultural or educational activity that demonstrates a general public benefit and/or community programs held for the primary purpose of providing intrinsic cultural, athletic, entertainment or educational value for the benefit of the general public.

**Sponsorship** – Cash or in-kind donation which may be used to offset the costs of community program operations or support provided by the City for City services in the form of labor, equipment, rental costs and other fees that would otherwise be due to the City.

## POLICY

### I. General Information

The budget for the community program, including determination of the source of funding to offset this sponsorship program, shall be established by City Council each year during the annual budget process. Fiscal year shall begin July 1 of each year and end on June 30 the following year. (i.e., July 1, 2024 and ends June 30, 2025).

Cash and in-kind sponsorships for eligible organizations and programs will be considered upon filing a sponsorship application with the City Manager's Office. Organizations are limited to one cash sponsorship per fiscal year. Sponsorships will only be provided for services, programs, and organizations meeting the eligibility criteria stated in this policy. The City Manager's Office shall be responsible for accounting for the community sponsorship fund; keeping a listing of all

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organizations and programs receiving sponsorships through this program; and maintaining a balance of funds available. The total amount of sponsorships awarded each fiscal year shall not exceed the established sponsorship budget.

Special Event requirements and other requirements must be followed according to City policies, codes and ordinances. Failure to comply with the City permitting requirements will result in the organization being ineligible for future sponsorships.

Organizations that receive sponsorships must submit a post program affidavit and questionnaire. The post program affidavit and questionnaire are due to the City within 30 days after the program. Organizations who fail to submit it will not be eligible for funding in the following year.

## **II. Funding Limits**

Sponsorship funding provided through this program shall not exceed \$250,000 each fiscal year. Maximum cash and in-kind funding limits for each applicant shall not exceed \$50,000, pending funding availability. The City Council shall make determinations on which community programs to fund concurrently with the budget process each year. The City, in collaboration with City Council reserve the right to sponsor programs or opt to not fund any or all sponsorship requests.

## **III. Application Requirements**

Each applicant will be required to submit:

1. A community sponsorship application on a form approved by the City Manager, indicating the program dates, times and location, the local office/headquarters of the organization, the organization's purpose/mission, the purpose of the program, expected number of participants, statement that the program will be open to the general public, and how the organization and proposed program will benefit residents of Salinas.
2. Current proof of 501(c)(3) in good standing. California contribution registration number and/or other non-profit status must be provided (if applicable as determined by the City).
3. A copy of the community program's sponsorship criteria/guidelines that outlines the community program's sponsorship categories and benefits of sponsorships.
4. Applications that are incomplete at the time of submission will be returned to the applicant for completion. Applications that remain incomplete at the submission deadline will not be processed.
5. The applicant shall submit to the City a financial statement prepared in a form and manner acceptable to the City setting forth the total gross receipts from the event operated by the applicant, all expenses incurred and paid in connection with the event.
6. The City may request additional information from an applicant, as necessary.

## **IV. Application Review Process**

1. Sponsorship applications will be processed based on the timeline provided by the City Manager.
2. Sponsorship applications shall first be reviewed for completion, eligibility, and financial impact by the City Manager and Sponsorship Committee selected by the City Manager.
3. The City Manager shall make a recommendation for award to City Council.
4. The City Manager will advise the sponsorship applicant when their request will go to City Council for consideration.

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5. The sponsorship applicant must be present at the Council meeting to answer questions.
6. City Council will review and provide final approval.

### **V. Eligibility Criteria**

1. The City will not award sponsorships to any religion, church, creed or sectarian organization to promote religious purposes. Religious organizations are not excluded from sponsorships however, the purpose of the community program must be as described in the definitions section of this policy and shall not serve to promote a religious message as the primary purpose.
2. Political organizations and/or individual campaigns are not eligible for sponsorships for programs they conduct. Organizations that engage in political activity, including organizations that endorse candidates, are not eligible for sponsorships.
3. Organizations that discriminate on the basis of age, race, sex, sexual orientation, marital status, disability or national origin are not eligible for sponsorships for programs they conduct.
4. Individuals are eligible for sponsorships.
5. For-profit organizations holding fundraiser programs must identify a 501(c)(3) and be in good standing, California not-for-profit corporation, or similar non-profit status under the California Law as a recipient of the program proceeds.
6. For-profit organizations are not eligible for sponsorships for promotional programs for which the organization/corporation or its employees or officers will gain personal benefit (i.e. a sales promotion).
7. All programs must provide a benefit to the residents of Salinas; to the general public.
8. Programs must be open to the public.
9. The sponsoring organization must also agree to do the following (failure to do so will result in future ineligibility):
  - a. Obtain all required permits, clearances, insurances and program authorizations in compliance with the Code of the City of Salinas, policies and Special Events Policy requirements.
  - b. Acknowledge the support of the City of Salinas and include on all printed information and advertising related to the event for which sponsorship was provided the following statement: "This program/event is sponsored in part by the City of Salinas" or other statement approved by the City of Salinas.
  - c. Allow the City of Salinas to have a sponsor booth at the program/event if the City so desires (at programs/events where a sponsorship booth is appropriate) for the purposes of distributing information regarding City services and community programs. The booth shall be provided at no cost to the City.

### **VI. Procedure**

1. City Council approves an annual budget item for City sponsorship/grants, to be administered by the City Manager's Office.
2. Applicants submit timely and complete sponsorship/grant applications to the City Manager's Office for review.
3. City Manager's Office reviews application using a sponsorship/grant scoring rubric after compliance with eligibility criteria and availability of funds has been determined. City Manager may seek additional information from applicant as necessary.

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4. If an application is approved by the City Manager's Office, then the approved application marked accordingly shall be transmitted to the applicant with additional instructions, if any.
5. If an application is not approved by the City Manager's Office because of lack of compliance or follow-up on additional information requested, the City Manager shall notify the applicant in writing of their ineligibility.
6. City Manager shall present all applications that were submitted to City Council regardless of recommended funding status.
7. If the applicant has received a sponsorship/grant for an event/activity, then applicant shall submit proof that the sponsorship/grant funds have been spent in the manner and for the purposes stated on the application within thirty (30) days after the event/activity. In the event an applicant has not spent the sponsorship/grant funds in the manner and for the purposes stated on the application, the applicant shall be required to reimburse the City for the full amount of the sponsorship/grant funds. Applicants that do not meet this requirement will be ineligible to receive funding in the following year.
8. Applicants that have received a sponsorship/grant, regardless of type of activity, shall maintain sufficient books and records in accordance with generally accepted accounting principles (GAAP). The City shall have the right to audit the books and records of the applicant for up to four (4) years from the date of disbursement of sponsorship/grant funds for the purpose of verifying any and all reimbursement requests made by the applicant.
9. If an applicant makes a sponsorship/grant request directly to a member of the City Council, whether individually or as a group, the Council shall refer the applicant to the City Manager's Office for application and review in accordance with this policy.
10. Staff shall report any distributions of grants/sponsorship in accordance with applicable tax law.