

**CITY OF ENCINITAS
ADMINISTRATIVE MANUAL**

Policy Title: Community Grant Program

Section: City Council

Responsible Department: Parks, Recreation & Cultural Arts

Number: C020

Approved By: City Council

Date Approved: 6/17/1998

Date Revised: 7/2006, 2/2010, 2/2024

I. Philosophy

The City Council recognizes the value of an ongoing program whereby non-profit and tax-exempt organizations have a means of requesting funding from the City of Encinitas to accomplish civic and arts projects or programs. The City Council encourages that all such projects or programs become self-supporting.

An annual funding amount for the Community Grant Program (CGP) will be determined by Council as part of the City's budget development and adoption process.

II. Method

A. *Funding requests shall be classified into two basic categories:*

- 1) *Category I - Civic (i.e. social, recreation, education, health, environmental)*
- 2) *Category II - Arts (i.e. visual arts, performing arts, arts education, literary arts)*

B. *The number of grant applications to be funded will depend on available funding each fiscal year. The City Council will award a grant application amount up to a maximum of \$3,000 per fiscal year based on the City's approved budget. Twenty percent of the approved budget will be available to the City Council to award additional funding to accepted applications. The City Council has the ultimate discretion and final approval for all grant allocations.*

C. *The criteria for all applicants to be considered for selection are:*

- 1) *Project or program must be held in Encinitas (zip codes 92007 or 92024) and provide community benefit to a high percentage of Encinitas residents in at least one of the following categories:
 - a. *Free community event, project or services held in Encinitas;*
 - b. *Services or financial assistance that directly benefit specifically identified and verified Encinitas residents; or*
 - c. *Educational services or supplies to benefit K-12 schools serving Encinitas students.**
- 2) *Funding shall only be provided for projects or programs that take place in Encinitas, except for projects or programs meeting Section II.C.1.c. of this policy.*
- 3) *The project or program must take place within the fiscal year for which funding has been allocated by the City Council.*

D. *Eligible organizations may submit only one application per fiscal year.*

E. *Organizations may only benefit once per fiscal year.*

III. Limitations

- A. *Applicant must be an organization with a non-profit or tax-exempt status as organized under Section 501(c)(3) of the Internal Revenue Service Code.*
- B. *Funding shall not be provided to projects or programs unassociated with a non-profit or tax-exempt organization, City departments, governmental agencies, or to assist religious or political purposes. Excluded entities include the following: County of San Diego, Municipal Organizations, Special or Water Districts, school districts or schools (excluding supporting organizations), and private individuals.*
 - 1) *The project or program shall not incorporate political or religious messaging within its scope or content.*
- C. *Funding shall only be provided for the following types of expenses:*
 - 1) *Contracts and services (i.e. entertainer, consultant, facility, or equipment rental)*
 - 2) *Materials and supplies (i.e. printed materials, art supplies, decorations)*
- D. *General operational expenses for the organization DO NOT qualify as reimbursable expenses (i.e. salaries, utilities, rent, and other regular overhead expenses).*
- E. *Funding for directed subsidies of goods or services of any kind, including scholarships, food, event tickets, clothing, shelter and the like that benefit specifically identified participants of a project or program shall only be provided for Encinitas residents.*
- F. *The project or program may not receive any additional funding or in-kind services of any type from the City of Encinitas within the same fiscal year.*
- G. *No grant funding shall be used for donations or funding of any kind from one organization to another organization.*
- H. *No cash funds nor gift cards shall be directly provided to individuals or families.*

IV. Administration

The following general administrative guidelines shall be followed in administering the CGP:

- A. *Application Process*
 - 1) *Applications must be submitted on the approved City Application Form approved for the current fiscal year.*
 - 2) *Submission of documentation from the IRS (i.e. IRS Determination Letter), indicating valid 501(c)(3) non-profit or tax-exempt status is required at the time of application submission. No exceptions will be made.*
 - 3) *City of Encinitas Business Registration is required at the time of application submittal.*
 - 4) *Applications must be complete and accurate.*
 - 5) *Applications must be received by the published deadline for the current fiscal year.*

- 6) *All applications are assessed after the submission deadline.*
- 7) *If funding remains after processing completed applications, applicants with incomplete applications will be notified with notation of why the application was not accepted (i.e. incomplete, missing IRS letter, etc.). The applicant may opt to correct any deficiency and resubmit a completed application. Resubmitted applications will be processed in the order received and reconsideration of acceptance is subject to funding capacity.*
- 8) *No funding may be allocated for ineligible organizations/programs.*
- 9) *Organizations receiving City funding are required to show proof of general liability insurance coverage and obtain a Certificate of Insurance naming the City as an additional insured and certificate holder on said policy in an amount established by the City prior to approval of the grant application.*
- 10) *Failure to provide required insurance documentation within two (2) weeks of City Council approval will result in disqualification of grant funds. Funds may be reallocated to other qualified applications that did not receive funding.*
- 11) *All projects and programs shall comply with all applicable federal, state and local rules and regulations.*

B. Reimbursement Process

- 1) *All funding is provided on a reimbursement basis.*
- 2) *Reimbursement requests must be submitted on the City Reimbursement Form approved for the current fiscal year.*
- 3) *All reimbursement requests require submission of documentation for the expense incurred and the corresponding payment for that expense.*
- 4) *Reimbursement will only be made for the project/program and the expenses outlined on the accepted grant application.*
- 5) *For reimbursement of funding that benefits specifically identified participants of a project or program, copies of the actual registrations for the individuals must be supplied that identify each participant's name, the project or program's name, the dates covered by the registration, and the participant's Encinitas residential zip code (must be 92007 or 92024) in addition to the aforementioned expense and payment documentation required.*
- 6) *Failure to provide a complete and accurate reimbursement request on the approved City Reimbursement Form by the deadline will result in forfeiture of grant funding.*
- 7) *Failure to provide a reimbursement request by the deadline and/or competent administration of the public funds granted will affect the organization's future eligibility to apply and may result in legal action for any misappropriation of funds.*

V. Policy Assessment

This policy shall be reviewed by the City Council every five (5) years to assess its effectiveness and alignment with organizational goals.