



City of Carson Report to Mayor and City Council

June 18, 2013
New Business Discussion

SUBJECT: CONSIDER ADOPTION OF CPP NO. 1.6.01 ESTABLISHING A POLICY FOR THE CREATION OF A TRUSTEE ACCOUNT AND AFFIRMING CURRENT LIST OF TRUSTEE ACCOUNTS

Submitted by Karen Avilla, CCMT
City Treasurer

Approved by David C. Biggs
City Manager

I. SUMMARY

From time to time the City has been asked to support a community volunteer effort by acting as the depository/trustee of funds collected and making disbursements from the account for a particular event/activity. A formal policy does not exist and these Trustee Accounts have been established on a case-by-case basis. A Council Policy & Procedure (CPP) is herein submitted for review and approval to set the parameters for Trustee Accounts in the future. (See Exhibit No. 1)

Trustee Accounts currently held, represent for the most part, community volunteers who have assumed the task of raising funds and coordinating events that were previously City funded. A recent account approved, which is an exception but clear example, is for the committee coordinating the 50th Anniversary of Carson High School. A complete list of current accounts is presented for City Council reaffirmation. (See Exhibit No. 2)

II. RECOMMENDATION

APPROVE and ADOPT City of Carson CPP No. 1.6.01 Establishing a Policy for the Creation of a Trustee Account and reaffirming the list of current Trustee Accounts.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

The first instance of the City acting as a trustee for public funds collected dates back to December of 1998 when a community effort to raise funds to support medical treatment for a student at Annalee Elementary School was established by the then City Treasurer. Subsequently, funds have been established following City Council approval for situations such as a Family Relief Fund for victims of a fire in the Scottsdale community, natural disaster relief such as Hurricane Katrina – New Orleans, Typhoon Ondoy – Philippines, Earthquake – Chile and for previously City sponsored events such as Cinco de Mayo and Juneteenth, to name a few.

In each case volunteer groups generally associated with the City have been identified, i.e., employee group, councilmember, commissioner, etc. The group then worked with the City Treasurer's Office directly on the receipt of donations and disbursement of expenditures. These funds have been raised with a particular purpose in mind and generally through a specific fund raising activity, i.e., letters, benefit concert, etc. They are not City funds but are held in a special City bank account used solely for the collection of refundable monies. Therefore, the City Treasurer has exercised due diligence in overseeing the expenditures recognizing the City is acting as a Trustee overseeing funds raised by community volunteers. A list of the accounts currently held is included as Exhibit No. 2.

Receipt of donations for City events has long been a practice of the City. Those funds are received, receipted through the standard cash receipting procedure and reported periodically to the City Council by the Finance Department. They become part of the City's coffers and are used to offset costs related to the City sponsored event they were donated to support. That practice remains for events which are City funded such as the Senior Technology Center, Commission sponsored events, i.e., Youth Conference, Memorial Day, Sculpture Garden (for maintenance), Business Awards Program, etc. This procedure will not apply to this type of donation.

Recently the City Treasurer and Finance Department concluded that a number of City sponsored events are no longer City funded events and therefore fall into the category of a Trustee Account; those accounts have been moved to the Trustee Account list included in Exhibit No. 2.

Absent a policy and procedure Trustee Accounts have been established on a case-by-case basis with City Council approval. It is appropriate to approve CPP No. 1.6.01 to standardize and set parameters for future accounts and reaffirm the current list of accounts at this time.

V. FISCAL IMPACT

None.

VI. EXHIBITS

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1. Council Policy & Procedure No. 1.6.01 for Trustee Accounts (pgs. 4-5)
 2. Current List of Trustee Accounts for City Council Reaffirmation (pg. 6)
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Document1

Prepared by: K. Avilla

TO: Rev09-04-2012

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

Action taken by City Council

Date _____ Action _____



**CITY OF CARSON
COUNCIL POLICY & PROCEDURE**

0302
0313

NUMBER: 1.6.01

SUBJECT

TRUSTEE ACCOUNTS

ORIGINAL ISSUE:

EFFECTIVE:

6/18/2013

CURRENT ISSUE:

EFFECTIVE:

ORIGINATING DEPARTMENT

CITY TREASURER

SUPERCEDES:

I. PURPOSE AND SCOPE

To establish a policy and standard procedure for the creation of a Trustee Account which is maintained within the City's Treasury for City related activities.

From time to time the City is asked to act as the depository/trustee overseeing donations and disbursement for events that are supported by the City but are not City funded events. This policy shall establish the parameters for such accounts.

II. GENERAL

- A. All Trustee Accounts require approval by the City Council. A request from a community group shall be placed on a City Council agenda for consideration.
- B. Trustee Accounts will be considered for approval for an event/activity that is community related in nature and is not affiliated with a non-profit organization that is capable of receiving donations and making disbursements for the event/activity. Examples include committees that raise funds to assist in natural disasters, host community events that were previously fully City funded, host community events in cooperation with the City or to support a City event/activity.
- C. Trustee Accounts shall be held within the Treasurer's Trust bank account maintained by the City Treasurer's Office. All receipts and expenditures of Trustee Accounts shall be reported to the City Council on a quarterly basis.

III. PROCEDURE

A. City Treasurer

- 1. Upon receipt of a request to establish a Trustee Account, the City Treasurer shall prepare an agenda item for consideration by the City Council to include:
 - a. The purpose of the Account
 - b. The group/individual requesting the Account

EXHIBIT NO. 1

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- c. The projected timeframe for the life of the Account
- d. The mechanism to be used to raise funds
- e. The person(s) authorized to request disbursements from the Account.
- f. The refund process to be followed if donations are refunded back to the donors.

2. Upon receipt of City Council approval, an account shall be established and donations accepted. All donations shall be receipted and a log of donors for each account shall be maintained.
3. Disbursements shall be made upon request in accordance with the parameters under which the account was established. A log of all disbursements shall be maintained.
4. A quarterly report shall be provided to the City Council detailing the balance of all Trustee Accounts and account activity within the respective timeframe.

IV. EXCEPTIONS

There shall be no exceptions to this policy, except through direction instructions of the City Council.

V. BY THE AUTHORITY OF THE CITY COUNCIL, AS APPROVED ON

June 18, 2013
Date

Enter Item #.
Agenda Item No.

Trustee Accounts as of June 1, 2013

<u>Event/Activity</u>	<u>Contact Person</u>
Black History Mo/MLK Day	Not Identified
Breast Cancer Awareness	Not Identified
Carson High School 50th Anniversary	Nini de la Vega/Committee/Treasurer Avilla
Cesar Chavez	Julie Ruiz Raber
Children's Day	C/M - Mayor Dear
Cinco de Mayo	Julie Ruiz Raber
Independence Day	C/M - Mayor Dear
Jazz Festival	Councilwoman Holmes
Juneteenth	Councilwoman Holmes
Larry Itliong Day/Filipino History	Mayor Pro Tem Santarina/Committee
Philippine Independence Day	Mayor Pro Tem Santarina/Committee
Prostate Cancer Awareness	Not Identified
Senior Holiday Luncheon	Tiny Cook - Commissioner