



## CHILDRENS FUND OVERSIGHT COMMITTEE

### DISTRIBUTION OF FUNDS POLICY

#### **PURPOSE:**

The Children's Fund Oversight Committee was established to make recommendations on the use of future revenues related to the portion of Measure A (Cannabis Business Tax) monies assigned to the Children's Fund. Measure A, which added Section 1432 to the Santa Cruz City Charter, requires twenty percent (20%) of all revenues generated by the cannabis business tax to be dedicated to the Children's Fund, stipulates that Monies in the Children's Fund are to be used to provide services to City of Santa Cruz Children and youth less than twenty-five (25) years old, in accordance with asset-based youth development principles, places a strategic priority on serving those children and youth most impacted by poverty, trauma, and violence, and establishes the Children's Fund Oversight Committee. Council Policy 12.16 reiterates the purposes of the Committee, which is to make recommendations to the City Council on the use of Children's Fund revenues, to:

1. support enhancement and expansion of evidenced- based programs; and
2. prioritize access to early childhood development, prevention, and vulnerable youth programs, without supplanting existing City of Santa Cruz services or investments.

Monies shall not be appropriated or expended for:

1. any service which merely benefits children and youth incidentally.
2. acquisition, lease, or maintenance of any capital item or real property not for primary and direct use by children and youth; or
3. any service for which a fixed minimum level of expenditure is mandated by state or federal law, to the extent of the fixed or minimum level of expenditure.

#### **ALLOCATION OF FUNDS BY AGE OF CHILDREN AND YOUTH SERVED**

Funding under this policy will be allocated to new or existing programs serving children and youth, as described in the above "Purpose" statement. It is the intent of the committee that funding will be allocated to three age ranges as follows:

1. Children less than 6 years old
2. Children and youth 6 through 17 years old
3. Young adults 18 through 24 years old
  - a. To increase the availability of early care and education spaces.
  - b. To improve the quality of existing early care and education programs or services.
  - c. To support activities designed to improve mental health, social/emotional and/or physical health and well-being of children, youth and young adults.
  - d. To support activities that promote youth leadership and engagement in the community through mentoring and social development.

- e. To support activities that encourage equality, inclusivity, friendship and compassion.
- f. To support activities designed to prevent involvement in the juvenile justice system.
- g. To support programs and services that promote physical, behavioral, and emotional growth.
- h. To support programs and services that help young adults identify career goals and prepare them to achieve them.
- i. To support programs that provide opportunities to achieve independence and find pathways to adulthood.

## **ELIGIBILITY REQUIREMENTS**

- 1. Be a tax-exempt/not-for profit organization (501(c)3 or 501(c)6) as defined by the Internal Revenue Code or, a governmental entity.
- 2. Maintain financial records in accordance with generally accepted accounting principles.
- 3. Be located or functioning within the City of Santa Cruz or directly serving children and youth who are residents of the City of Santa Cruz.
- 4. For childcare providers: Have current licenses with the Community Care Licensing Division of the California Department of Social Services that are in good standing.

## **PROCEDURE**

- A. On an annual basis CFOC will establish funding priorities consistent with the purposes established in this policy.
- B. The CFOC will annually select three members of the committee to participate on an ad-hoc committee responsible for soliciting and reviewing funding requests and making funding recommendations to the CFOC. The CFOC will submit their final recommendation for distributing funds from the Children's Fund to the City Council for approval. Grant funds are distributed annually based on the audited, actual total annual revenues of the preceding year.
- C. Grant Fund Submission:  
Requests for grant funds will be submitted to the CFOC via the City Manager's office during the month of January to be considered in accordance with the CFOC meeting schedule pursuant to its bylaws. Funds shall be available after July 1<sup>st</sup> of each fiscal year.

Applications will be publicly available on the City's website.

### **Application Submission Requirements/Instructions:**

- 1. Grant Application
- 2. Budget Proposal
- 3. IRS/Nonprofit Determination Letter (unless a government or a for profit entity)
- 4. IRS Form W-9
- 5. Previous years financial statements (Form 990's, independent bookkeeping, or audits will be accepted).

D. Grant Evaluation Criteria:

1. Does the program/service meet the purpose of Council Policy 12.16?
2. Does the program/service prioritize youth living within the City of Santa Cruz?
3. Does the program prioritize children and youth most impacted by poverty, trauma, and violence.
4. Organizations located within the City of Santa will be prioritized.
5. Prior use of City of Santa Cruz Children's Fund resources (if applicable)
6. Capacity of organization based on prior history of delivering proposed services
7. Degree to which the proposed program represents an evidence-based approach reflecting best-practices with measurable, reportable outcomes.
8. Does the program/service meet a current community need?
9. Aligns with established CFOC goals.
10. Proposed Use of grant funds

Grant Reporting Requirements:

Once a grant is awarded, a Grant Report must be submitted for the period of July 1 to June 30 within two months of the end of the fiscal year (Aug. 30). The goal of the grant report is to document to the City Council, CFOC and the public how the awarded grant funds were used.

Adopted 11/7/2023