

CITY COMMISSION POLICY

Policy 12
October 5, 1981

Subject: General Revenue Sharing Policy and Procedures

It is the policy of the City of Wichita to allocate those funds provided to it under the terms of the State and Local Fiscal Assistance Act (General Revenue Sharing) in accordance with the federal rules and regulations pertaining thereto.

In furtherance of this policy the Board of City Commissioners will determine the allocation of these funds following public hearing in such a manner as to most effectively meet the needs of the community in accordance with community goals and local priorities.

Restrictions Governing Use of Funds

The Revenue Sharing Act, as amended, provides that recipients may spend Revenue Sharing funds for any purpose which is a permissible use of the government's own revenues under its state and local laws. A violation of a state or local law with Revenue Sharing funds is also considered to be a violation of federal law.

Recipient governments may spend Revenue Sharing funds for their share of a federal matching grant program, provided that this is acceptable to the federal agency administering the matching grant program and that it does not violate any state or local laws. The prohibition against using Revenue Sharing funds for matching funds was repealed in the 1976 Amendments to the Revenue Sharing Act.

Time Limitations on Expenditure of Funds

Recipient governments must spend, appropriate, or obligate Revenue Sharing funds within 24 months from the end of the entitlement period for which the funds are received. The funds must be appropriated by a recipient government in accordance with the state and local laws and budget procedures applicable to its own funds and the public participation requirements of the Revenue Sharing Act, as amended. "Obligated" means that the recipient government has entered into a contractual or other binding agreement regarding the use of funds.

Interest on Deposited Funds

Interest payments received on Revenue Sharing money are considered the same as other Revenue Sharing funds. All requirements of public participation, nondiscrimination, audit, permissible expenditures, etc., apply to these funds.

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Secondary Recipients

Recipient governments may transfer Revenue Sharing funds to private organizations, quasi-governmental agencies or other governmental agencies or other governmental units such as school, hospital or fire districts. Transfer of funds to a secondary recipient is only permissible if state and local laws allow such transactions. All Revenue Sharing regulations continue to be applicable to funds that have been transferred to a secondary recipient, and the primary recipient is responsible for assuring that these requirements are followed. A violation of the regulations by a secondary recipient will constitute a violation by the recipient government, and the applicable penalty for failure to comply will be imposed on the recipient government, not the secondary recipient.

A recipient government which transfers \$25,000 or more of Revenue Sharing funds to a secondary recipient in any year will be held responsible for the audit of the transferred funds in accordance with the regulations.

Prevailing Rates of Pay

Individuals employed in any capacity by a recipient government must be paid the same wages as other employees performing similar work if Revenue Sharing funds are used to pay 25% or more of the wages of all employees in the same occupational category.

Debt Retirement

Recipient governments may use Revenue Sharing funds for repayment of debt proceeds under the following circumstances:

1. No restrictions apply to debts for which actual expenditure was made before January 1, 1972.
2. For debts incurred after January 1, 1972, and retired on or after January 1, 1977, the nondiscrimination and Davis-Bacon wage requirements apply to the projects funded by the debt which is being repaid.
3. For debts incurred after January 1, 1972, and retired on or after January 1, 1977, the nondiscrimination and Davis-Bacon wage requirements apply to the projects funded by the indebtedness. Revenue Sharing funds may be used to pay both principal and interest.

Lobbying

Revenue Sharing funds may not be used for the purpose of lobbying or other activities intended to influence any legislation regarding the provisions of the Revenue Sharing Act. Dues paid to national or state governmental associations are considered an exception to this prohibition.

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Investing Revenue Sharing Funds

Revenue Sharing funds may be invested as long as state and local laws regulating investment of locally raised revenues are observed. The 24-month time limit, however, must be met when appropriating, obligating, or spending the funds or interest.

Loans

A recipient government may lend Revenue Sharing funds to any entity to which that government could lend its own revenues. A loan is not considered an appropriation, obligation, or expenditure; hence, the repaid funds must be treated as Revenue Sharing funds and appropriated, obligated, or spent within the original 24-month period.

Procedures for Expending Funds

Administration of the General Revenue Sharing program for the City of Wichita will be the responsibility of the Budget and Management Division. Procedures will as nearly as possible correspond to those utilized for budgeting of other funds of the City.

Departments of the City will submit their requests for General Revenue Sharing funds as part of their regular budgets in accordance with the ruling of the Kansas Attorney General that General Revenue Sharing funds will be considered as a part of the City budget.

Outside agencies requesting funds will submit their requests in accordance with the standard budget procedures and calendar of the City. In addition, information as outlined in the attachment to this Policy will be required.

Following the closing date for submission of requests, an evaluation will be prepared by the Budget and Management Division for consideration during informal budget hearings by the City Manager and by the City Commission. Upon approval of funding, the Budget and Management Division will negotiate contracts with agencies (other than City departments) for performance of services.

The City is required to hold two public hearings with appropriate public notice provided prior to the adoption of its budget. The first hearing must be held at least seven days before the proposed budget is presented to the governmental body responsible for its enactment. The second hearing must be held prior to the final passage of the budget to give citizens the opportunity to comment on the relationship of Revenue Sharing funds to the entire budget. Special efforts should be made to insure that minority, bilingual and foreign language news media are notified. Senior citizens should be encouraged to attend and comment.

Revenue Sharing regulations require publication of notices in newspapers at four different times:

- Before the proposed use hearing
- Before the budget hearing

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- After adoption of the budget
- When the actual use report is filed

The purpose of the publication and publicity requirements is to adequately inform citizens of local budgetary actions and opportunities to participate in the local decision-making process.

Attachment 1

General Revenue Sharing Information Requirements for Outside Agencies

In order for General Revenue Sharing fund requests from agencies outside the City organization to be processed, the following information must be provided for each program:

1. Name and address of the agency sponsoring the program.
2. Name of the program and how long the program has been in operation.
3. Does the agency operate under the direction of a board?
 - a. If yes, please list the names of the members serving on the board.
 - b. Has the board formally approved this request?
4. Does the agency have legal authority to implement such a program? Is the agency a nonprofit organization?
5. Provide total source(s) of revenue (e.g., private deductions, United Way, Community Development Block Grant, Revenue Sharing, other federal or state funds, fee income, etc.). If revenues do not coincide with the calendar year, include time period for which they are projected. An expenditure budget is also required.
 - a. Submit a total budget under which you are presently functioning (198).
 - b. Submit a total proposed budget for the amount you are requesting for (198) and the number of months for which you are requesting funding.
6. Provide a summary of the intent of the program. This summary should include a description of the service to be provided; who the program will serve; how many individuals in Wichita it will serve and the extent of this service; goals and objectives of the program; duration of the program; if these services are being provided by any other agency, and if so, the names of the other agencies; and any other pertinent information deemed necessary, to include how the program has been funded and operated since its inception.