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| Small Seneca Healthcare Logo 2005**SENECA HEALTHCARE DISTRICT****POLICY & PROCEDURE** |
| **DEPARTMENT: ADMINISTRATION****POLICY TITLE: Appropriate Use of District Funds** **POLICY NUMBER: ADMIN-035.001****COMPLIANCE REQUIREMENT:**  | **Page 1 of 5** |
| **Date of Origin:**  |
| Revision Date:  |
| **Periodic Review****By:** **Date:**  |
| AUTHOR: Steve Boline, Chief Financial OfficerREVISED BY:  | **Policy Rescinded by** **Policy #:****Effective Date:**  |

**Policy:** Seneca Healthcare District (SHD) may approve the distribution of district/hospital funds to support community activities which further the District’s mission, vision and values as determined by the Board of Directors and the Chief Executive Office on a case by case basis.

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| **Authorization** | **Signature** | **Date** |
| **Department Head** |  |  |
| **Medical Department Chair** |  |  |
| **Compliance Officer** |  |  |
| **Chief Nursing Officer** |  |  |
| **Director, Human Resources** |  |  |
| **Administration** |  |  |
| **Medical Chief of Staff** |  |  |
| **Governing Board** |  |  |

**POLICY NUMBER REFERENCE: ADMIN-035.001**

**PROCEDURE**

1. **Purpose**

The purpose of this policy is to assist the healthcare district when it comes to the expenditure of district/hospital funds.

1. **Responsibilities**

It is SHD’s responsibility to determine the distribution of district/hospital funds to support community activities which further the District’s mission, vision, and values as determined by the Board of Directors and the Chief Executive Office on a case by case basis.

1. **Policy for Appropriate Use of District Funds**

Article XVI, Section 6 of the California Constitution prohibits the making of “gifts” of public funds; however it has long been recognized that the “gifts” prohibition of the Constitution does not apply where the expenditure, while incidentally beneficial to a private recipient, promotes a valid and substantial public purpose with the authorized mission of the public entity appropriating the funds.

As noted in 67 Ops. Cal. Atty. GEN. 32, 34 (1984): “It has been held that public funds may be disbursed if a direct and substantial public purpose is served and non-state entities are benefited only as an incident to the public purpose served.”

* 1. ***Procedure***
		1. Submit requests for funds in writing to the Board of Directors.
		2. Provide the following information:
			1. Background of the requesting organization
			2. Resumé of the individual responsible for administering the funds
			3. Brief description of how the funds are to be used
			4. A plan to provide a progress report back to the Board of Directors
			5. Chief Executive Officer’s (CEO) summary of how the request supports the mission, vision and values of the District
			6. Recommendation from the CEO as to approval or denial of the request
1. **Enforcement**

Violation of this policy may result in disciplinary action, up to and including termination as outlined in the Sanctions Policy/Procedure, CMPL-005.

**Attachments:**

**Attachment A-Request for Funds Form (2 Pages)**

**Attachment B-Progress Report Form (1 Page)**

**Attachment A-Request for Funds Form** *(Page 1 of 2)*



**Attachment A-Request for Funds Form** *(Page 2 of 2)*



**Attachment B-Progress Report Form** *(Page 1 of 1)*

