City of Long Beach
Working Together to Serve

Memorandum

Date: December 10, 2020

To: Mayor and Members of the City Council

From: Charles Parkin, City Attorney CP
Laura Doud, City Auditor
Thomas B. Modica, City Manager

Subject: **Legislative Department Procedures for Purchases, Payments, and Personnel Transactions**

Attached is the first compilation of Legislative Procedures. They have been issued in various documents since 2013 and are now consolidated. This compilation also puts in writing a few new items that have added over the last two years. All the procedures have been implemented previously, including the previously not formally documented behest procedures and donation procedures. These procedures have been designed over the years to make it easier for City Council to comply with City Charter and Code and other requirements and to make it more difficult to inadvertently not comply.

Over the years, the involvement of City Council districts in funding events, identifying community projects, and requesting sponsorships for community priorities has grown. The State and local legal requirements for spending City funds, requesting sponsorships, personnel and other actions are complex. It has been important to support the Mayor and City Council by providing clear policies and procedures for compliance with these transactions that involve the Legislative Department. Formal policies were issued in 2013 and again in 2019. With the addition in FY 20 of Special Advertising and Promotion (SAP) funding for community events, and the recent onboarding audit, it was important to consolidate and update the requirements for Legislative Department spending and personnel transactions into one document for ease of compliance.

The attached procedures clarify and consolidate procedures for purchases and expenditures by the Legislative Department and are designed to minimize City and City Council Office liability exposure and prevent violations of the City Charter (Charter), including Sections 207, 208, 1704, and 1705, and Long Beach Municipal Code (LBMC) Purchasing Regulations.

Topics Covered

The following topics are covered in the procedures:

- Workflow for Purchases and Payments
- Office Operating Budget
- Personnel Transaction Processing
- Port Sponsorships and Grants
- Council District Priority Funding (Divide by Nine)
  - General Procedures
  - Securing Appropriations
  - Existing City Projects, Programs or Activities

        - New Projects, Programs and Activities
        - Contributions
        - Special Events
        - State of the District and State of the City Events
        - Participatory Budgeting
    - Behests

Legal Compliance

Specifically, these procedures ensure compliance with the Charter, the LBMC, and City regulations as summarized below:

- To comply with City Charter Sections 1704 and 1705, only the City Council, acting as a body, has appropriation authority, and appropriations may only be spent for the purposes authorized by the City Council.
- To comply with Charter Section 208, neither a Councilmember nor the Mayor (or his/her staff) can direct City departmental staff, and cannot negotiate or execute (or have any other role in) City contracts or purchases, or manage City projects, programs or events, unless for normal Council District Office operations not otherwise provided by the City.
- To comply with Charter Section 207, the Mayor's Office (Administration Bureau) is responsible for overall purchase and expenditure management for both the Mayor's Office and City Council Districts. The Mayor's Office, while not having authority of what expenditures are made by Council Districts, has approval authority for purchases and expenditures to ensure compliance with City requirements.
- City purchasing procedures and guidelines per the LBMC and City regulations must be followed.

These procedures incorporate the interim procedures for special events issued on February 26, 2019 and update and replace the "Divide by Nine" procedures issued in November 9, 2015 and on August 30, 2013.

If you have any questions about these procedures, please contact City Manager Tom Modica, at (562) 570-5091, Finance Director John Gross, at (562) 570-6427, or Budget Manager Grace H. Yoon, at (562) 570-6408.

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ATTACHMENT: LEGISLATIVE DEPARTMENT PROCEDURES FOR PURCHASES, PAYMENTS AND PERSONNEL TRANSACTIONS (FINAL R1)

CC: DOUGLAS P. HAUBERT, CITY PROSECUTOR
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