

NEEDHAM PUBLIC SCHOOLS

1330 HIGHLAND AVENUE • NEEDHAM, MASSACHUSETTS • 02492-2692

TELEPHONE (781) 455-0400 X 207 • FOR TTY SERVICE (781) 455-0424 • FAX (781) 455-0417

E-MAIL anne_gulati@needham.k12.ma.us

MEMORANDUM

July 1, 2021

To: PTC Presidents & Treasurers
From: Anne Gulati, Assistant Superintendent for Finance & Operations
RE: Gifts, Grants & Donations, Reporting and School Business Policy

The beginning of a new school year is the perfect opportunity to thank all of you for the time and resources that you dedicate to the students and teachers of the Needham Public Schools. Your work enriches the classroom experience, broadens opportunities for kids and strengthens links between the school and home communities.

Before the school year begins in earnest, I wanted to take a moment to share with you some important information.

Gifts, Grants & Donations:

From time to time, parents, companies and organizations approach faculty and staff to generously offer gifts of appreciation or donations to your classrooms. We're fortunate to live in a community that cares for its teachers and students. However, faculty and staff must keep the following rules in mind, before accepting such items, so that trust and integrity are preserved:

Public employees are prohibited from asking for, or accepting, any gift or payment valued at \$50 or more from anyone with whom you have a professional relationship. Gifts may be monetary or non-monetary in nature and include: honoraria, free or discounted items or services, meals, entertainment event tickets, travel expenses, vendor rebates or promotional payments, gift certificates, cash and the like.

A teacher or staff member may, however, receive a gift (or gifts) totaling less than \$50 from a single source during a fiscal year, as long as the staff member files a written disclosure with his/her supervisor that the gift was received. There are a few exceptions to this rule. The State Ethics Commission permits teachers to receive one class gift per year with an aggregated value of up to \$150, as long as the gift is from the entire class and the identity of the givers is not known. (No disclosure is required for class gifts.) Additionally, staff members may receive perishable items (food, flowers) up to \$50 in value without disclosure, as long as the items are shared with members of the school community. Parents are encouraged to show their appreciation to individual teachers/staff members by making a donation to their school's PTC, or to the Needham Education Foundation. More information about this topic is available from the Ethics Commission's website:

<http://www.mass.gov/ethics/gifts-to-public-school-teachers-and-staff.html>. Disclosure forms also are available at: <https://www.mass.gov/service-details/municipal-employee-disclosure-forms/>.

The so-called '\$50 rule' does not apply, however, to gifts presented for the purpose of purchasing classroom materials, enriching the curriculum, or benefiting the school as a whole. Since these gifts are not for the

personal benefit of a particular employee, but rather, are intended for educational use, the Conflict of Interest rule does not apply. However, in order for these items to be used by your school, the School Committee must vote formally to accept the gift under M.G.L. Ch. 44 s.53. Educational gifts may be monetary, or may be in-kind gifts of goods or services. All educational gifts must be reported to the School Principal or Department Head, who will solicit the proper School Committee approval. Cash and checks must be turned over to School Bookkeeper, who will deposit the funds into your school's donation account. State law does not allow staff members to spend cash they receive from students or parents directly – all monies must be deposited and properly accounted for, before spending. The School Committee reserves the right to reject any gift or donation, when it deems acceptance to be inappropriate.

School Committee Approval & Financial Reporting:

The School Department has designed a streamlined approval process for PTC donations. The School Committee, instead of voting to accept each individual gift when it is made, will pre-approve each PTC's annual budget and any donation items contained therein. Toward that end, Melane Bisbas from my office has already contacted you to ask for a copy of your 2021/22 operating budget. These budgets will be sent to the School Committee for approval this month.

In addition, the Business Office must report to the State all in-kind donations that were received during the prior school year. To assist us with this effort, every year, each PTC also provides us with an itemized listing of the non-monetary donations made during the prior school year, with approximate dollar values. In-kind donations can include materials for the classroom, guest speakers, luncheons or other types of non-cash support. (In-kind donations do not include monetary gifts or expenditures associated with PTC fundraisers or PTC internal operations.) Melane Bisbas also has contacted you to obtain a listing of the in-kind donations made during SY 2020/21. These in-kind donations also were forwarded to School Committee for its approval in September.

Business Policy:

Finally, I wanted to take a moment to answer questions I have received about tax-exempt purchases; school purchases of goods and services; fundraising by faculty and staff; and use of the Production Center.

Tax-Exempt Purchasing

All purchases made by the PTC for classroom items, special presenters or food, as well as PTC reimbursements to teachers must be made under the PTC's own tax-exempt certification. It may be convenient for you to supply a copy of your tax-exempt certificate to individuals who purchase items on your behalf, or with whom you do business. Unfortunately, state law will not allow the PTC to use the Town of Needham's tax exemption (nor any of the school's corporate accounts, established under the Town's tax-exempt status.)

School Purchases of Goods and Services:

School Departments in Massachusetts are bound by the Uniform Procurement Act (M.G.L. Ch. 30B), which requires that goods and services be procured through competitive bidding. The School Bookkeeper will assist employees with purchasing supplies and services from vendors that have been selected through a competitive process. For more information about the procurement law or to obtain information about approved vendors for

2021/22, visit the Business Office website at:

http://www.needham.k12.ma.us/departments/business_operations/business_office/purchasing.

Additionally, taxpayer accountability is very important to Needham Public Schools. Our auditors require that we adhere to financial controls and procedures that protect both school employees and taxpayers. These procedures require that teachers obtain advance approval for their purchases (in the form of a signed purchase order) before placing orders for supplies or procuring services. In addition, the District must pay invoices according to the specific procedure outlined in state law, and must properly account for all cash or monies we receive, including class collections, student fees and PTC funds. Parents can help in this regard by not paying school bills or 'fronting' the cost of school expenses (even if you are told it is 'necessary' or 'urgent.'). In addition, please avoid collecting funds from students for class activities or school events - school staff must collect and process these receipts.

Fundraising by School Faculty and Staff:

Staff members may solicit donations for school activities, however, they must obtain permission before doing so and must adhere to the following restrictions imposed by School Committee Policy #DFC, the Conflict of Interest Law (EC-COI-12-1) and M.G.L. Ch. 44 s. 53 and 53A:

1. The fundraising effort has the prior approval of the Building Principal and/or Superintendent, in accordance with Needham School Committee Policy #DFC.
(http://www.needham.k12.ma.us/UserFiles/Servers/Server_64429/File/Departments/School%20Committee/Policies/SchoolCommitteePoliciesSectionD4-16.pdf.)
2. The fundraising effort exclusively benefits the Needham Public Schools and its programs; fundraising is not supported to benefit private individuals.
3. Solicitations are not made in circumstances that are inherently coercive;
4. No overt pressure is exerted in connection with such solicitation;
5. NPS does not act to 'favor' those who choose to give, and 'disfavor' those who choose not to give;
6. The soliciting employee discloses the names all those solicited publicly and in writing; and
7. The School Committee votes to formally accept the funds raised.

Additionally, all funds raised must be paid directly to the Needham Public Schools by the donor; the use of crowdfunding sites, such as *Go Fund Me* and *Kickstarter*, is strictly prohibited. The Needham Schools can receive donations in cash, check or online payment at:

http://www.needham.k12.ma.us/departments/business_operations/business_office/on-line_payment_vendors.

Production Center

PTC's are welcome to use the Needham Production Center for their mail and copy needs, on a fee basis. If you have mail or copy jobs, please send or bring them to Brian Erba at the Needham Public School Administration Building (brian_erba@needham.k12.ma.us.) We will invoice you for the services provided.

Thank you for your time and consideration. I look forward to working with each of you over the course of the year, and welcome your visits or comments.

CC: Dan Gutekanst, Superintendent
Needham Public School Principals & Bookkeepers