



ADMINISTRATIVE PROCEDURE

SOLICITATIONS AND ACCEPTANCE OF FUNDS AND OTHER RESOURCES

3150

Procedure No.

May 22, 2003

Date

- I. **PURPOSE:** To provide structure and guide the process of receiving resources from external sources to ensure compliance with federal and State regulations, and internal audit procedures.
- II. **POLICY:** The Board of Education recognizes the need to enhance the financial resources available to schools for programs that benefit students. Further, the Board of Education recognizes that individuals, businesses, and other organizations external to the school system contribute resources in the form of monetary donations, equipment, materials, services, and/or capital items (Board Policy 3150).
- III. **BACKGROUND:** The Board prohibits the solicitation and/or acceptance of any donations or advertising that directly or indirectly encourage the use of alcohol, tobacco, drugs, drug paraphernalia, weapons, or pornographic or illegal materials and activities. Additionally, the Board prohibits the use of and/or acceptance of revenues derived from direct or indirect advertising deemed inappropriate for minors, including but not limited to advertising that is lewd, obscene, vulgar, violent, or contains sexual content or overtones.
- IV. **PROCEDURES:**
 - A. Solicitations
 1. Activities may be conducted for monetary, in-kind, or advertising contributions from business, professional, civic, and fraternal organizations, as well as, from individual from the community-at-large.
 2. Activities may be conducted to acquire equipment, materials, services, and/or capital items.
 3. Efforts shall be coordinated through the Office of Business and Community Outreach so as to prevent redundant or duplicative efforts and repetitive solicitations from the same sources, which might hinder future initiatives; to ensure coordination with the Division of Budget and Finance for compliance with budgeting and accounting procedures as set forth by the Division of Budget and Finance; and to maintain equity, when possible, among school system entities (i.e., schools, offices and/or departments).
 - B. Grants
 1. Grants must comply with a criteria established by the Department of Federal Programs and administered in accordance with generally accepted accounting principles (GAAP).



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2. Resources acquired from granting sources are restricted in nature in that they must be applied to the purposes for which granted. Generally, special projects funded by grants from the federal and state governments and other public or private agencies, require the application for those resources through proposals describing the nature of the programs and the educational objectives intended to be met with the funds and related resources being solicited from the granting entities.
3. The approved annual operating budget will include an estimate of revenues to be realized from grant sources. Individual grant awards may be accepted within the grant amounts approved in the budget. Grants received in excess of the budgeted amounts will be brought before the Board of Education under the same procedures applied when additional budgetary spending authority is required.
4. The application for and acceptance of grants that provide direct funding assistance is limited to grants with guidelines and regulations issued pursuant thereto which are not in conflict with existing statutes, by-laws, rules and regulations promulgated under the Education Article of the Annotated Code of Maryland and the By-laws of the Board of Education of Prince George's County.
5. No application, proposal, and/or commitment shall be filed or made without written notice of the intent of such proposed action to the Board of Education. Such notice shall briefly describe the purpose of the project and the source of funding.
6. The project offered must contribute to the educational opportunities of the designated population of the public school system.
7. These guidelines apply to grants sought for and managed centrally by the school system, as well as, to grants sought and managed at the individual school/department/office levels.
8. Grants shall be coordinated through the Department of Federal Programs to prevent redundant or duplicative efforts and prevent repetitive solicitations from the same sources; to ensure accountability among all school system entities; and to maintain equity, when possible, among all school system entities (i.e., schools, offices and/or departments).



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C. Advertising

1. Advertising revenues shall be used to enhance the educational programs of schools.
2. Advertising may not adversely impact the instructional program.
3. Cumulative advertising revenues totaling less than or equal to \$5,000 in value from any one source in the course of a fiscal year may be received by an individual school or program and may be approved by the building principal and/or program director.
4. Advertising revenues totaling more than \$5,000 and up to \$50,000 in value from any one source in the course of a fiscal year require the approval of the Chief Executive Officer.
5. Advertising revenues shall be processed through the receiving school's activity fund as prescribed in the School Accounting Manual or through the designated program fund.
6. Advertising revenues totaling more than \$50,000 in value from any one source in the course of a fiscal year requires the approval of the Board. These revenues shall be donated to Prince George's County Public Schools and not to a particular school or program. If the donor intends the gift for a particular school or program, the Board may accept the gift on behalf of the school or program.
7. Advertising solicitations and donations shall be coordinated through the Office of Business and Community Outreach so as to prevent redundant or duplicative efforts and repetitive solicitations from the same sources, which might hinder future initiatives; to ensure coordination with the Division of Budget and Finance for compliance with budgeting and accounting procedures as set forth by the Division of Budget and Finance; and to maintain equity, when possible, among school system entities (i.e., schools, offices and/or departments).

D. Naming Rights

1. Naming Rights revenues for facility buildings, auditoriums, multipurpose rooms, classrooms, athletic fields/tracks, etc., shall be used to enhance the educational programs of schools.



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2. Naming Rights may not adversely impact the instructional program and must comply with acceptable print or picture content deemed appropriate for students from the ages of birth to 21-years.
 3. Naming Rights revenues totaling less than or equal to \$5,000 in value from any one source in the course of a fiscal year may be received by an individual school or program and may be approved by the building principal and/or program director.
 4. Naming Rights revenues totaling more than \$5,000 and up to \$50,000 in value from any one source in the course of a fiscal year requires the approval of the Chief Executive Officer.
 5. Naming Rights revenues shall be processed through the receiving school's activity fund as prescribed in the School Accounting Manual or through the designated program fund.
 6. Naming Rights revenues totaling more than \$50,000 in value from any one source in the course of a fiscal year requires the approval of the Board. These revenues shall be donated to Prince George's County Public Schools and not to a particular school or program. If the donor intends the gift for a particular school or program, the Board may accept the gift on behalf of the school or program.
 7. Naming Rights solicitations and donations shall be coordinated through the Office of Business and Community Outreach so as to prevent redundant or duplicative efforts and repetitive solicitations from the same sources, which might hinder future initiatives; to ensure coordination with the Division of Budget and Finance for compliance with budgeting and accounting procedures as set forth by the Division of Budget and Finance; to determine appropriateness of the entity obtaining the naming rights; and to maintain equity, when possible, among school system entities (i.e., schools, offices and/or departments.)
- E. Monetary Gifts
1. Cumulative monetary gifts totaling less than or equal to \$5,000 in value from any one donor in the course of a fiscal year may be donated to an individual school or program and may be accepted by the building principal or program director. If the donor restricts the use of the donated funds for the acquisition of equipment, materials, or services, the goods and/or



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services must be age-appropriate and meet the above-referenced suitability standard.

2. Monetary gifts totaling in value more than \$5,000 and up to \$50,000 from any one donor in the course of a fiscal year will be accepted only with the approval of the Chief Executive Officer.
3. Monetary gifts totaling in value more than \$50,000 from any one donor in the course of a fiscal year will only be accepted with approval of the Board.
4. All gifts shall be processed through the receiving school's activity fund, as prescribed in the School Accounting Manual.
5. Monetary gifts in excess of \$50,000 shall be donated to Prince George's County Public Schools and not to a particular school or program. If the donor intends the gift for a particular school or program, the Board may accept the gift on behalf of the school or program.
6. Donations of monetary gifts shall be coordinated through the Office of Business and Community Outreach so as to prevent redundant or duplicative efforts and repetitive solicitations from the same sources, which might hinder future initiatives; to ensure coordination with the Division of Budget and Finance for compliance with budgeting and accounting procedures as set forth by the Division of Budget and Finance; and to maintain equity, when possible, among school system entities (i.e., schools, offices and/or departments).

F. In-Kind Gifts

1. In-kind gifts include equipment, materials, services and/or capital items.
2. Cumulative gifts totaling less than or equal to \$5,000 in value from any one donor in the course of a fiscal year may be donated to an individual school program and may be accepted by the building principal or program director.
3. In-kind gifts totaling in value of more than \$5,000 and up to \$50,000 from any given donor in the course of a fiscal year will be accepted only with the approval of the Chief Executive Officer.



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4. In-kind gifts totaling in value of more than \$50,000 from any given donor in the course of a fiscal year will be accepted only with approval of the Board.
5. In-kind gifts totaling more than \$50,000 in value from any one donor in the course of a fiscal year shall be donated to Prince George's County Public Schools and not to a particular school or program.
6. If the donor intends the gift for a particular school or program, the Board may accept the gift on behalf of the school or program.
7. Gifts presented to the school system shall be suitable and consistent with the philosophy, program, and requirements of the school system.
8. Equipment shall meet all health and/or safety hazards.
9. In-kind gifts shall require minimum financial obligation for installation, maintenance, and operation as determined by the nature of the gift and the appropriate department (examples: air conditioners/maintenance, computers/technology, etc.).
10. In-kind gifts will not be accepted that will obligate the school system to future expenditures that are determined to be out of proportion to the value of the gift.
11. In-kind gifts become the property of the school system and are subject to the same controls and regulations that govern the use of school-owned property.
12. In-kind gifts shall be accepted without obligation relative to their use and/or disposal.
13. Donations of in-kind gifts shall be coordinated through the Office of Business and Community Outreach so as to prevent redundant or duplicative efforts and repetitive solicitations from the same sources, which might hinder future initiatives; to ensure coordination with the Division of Budget and Finance for compliance with budgeting and accounting procedures as set forth by the Division of Budget and Finance; and to maintain equity, when possible, among school system entities (i.e., schools, offices and/or departments).



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G. School-Based Fund Raising Activities

1. School-based fund raising projects must be an integral part of the total school experience and purposely planned so as to be an extension of the total educational experience.
2. Fund raising drives sponsored by a school organization must be planned in cooperation with and approved by the principal.
3. Funds raised in the name of a school or school organization must be deposited in the school's depository as a part of the school activities fund; and, an accurate and detailed account of all receipts and disbursements shall be kept in accordance with procedures, as prescribed in the School Accounting Manual.
4. The principal, in accordance with the policies established herein by the Board of Education and the Chief Executive Officer, must approve funds raised or expended by a school organization or in the name of a school.
5. Fund raising activities may include soliciting from service clubs, organizations, and businesses providing such organizations are not singled out as repetitive targets and only after conferring with the Office of Business and Community Outreach to ensure compliance with solicitation policies as set forth herein.
6. A principal must sign all agreements and contracts entered into by a school organization for a school activity. The Chief Executive Officer and/or the Board of Education must approve multi-year agreements and/or contracts.
7. Items sold in school stores should be limited to the immediate school supplies needed for classroom work and school-spirit items (i.e., stationery, school shirts, hats, decals, etc.). Price mark-ups and sales tax shall be in accordance with prescribed procedures as set forth in Administrative Procedures 5135.1 and 5137.
8. Following are examples of approved fund raising activities and/or sources:
 - a. Picture sales
 - b. Magic, puppet, music, or similar children's shows
 - c. Old newspaper drives
 - d. Candy sales
 - e. School stores



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- f. Book fairs
 - g. Bake sales
 - h. Food sales (e.g., pizza drives, etc.)
 - i. Dinners
 - j. Plant, mulch or other related sales
 - k. School spirit items (e.g., stationery, shirts, hats, jewelry, cushions, decals, etc.)
 - l. Athletic contests
 - m. Talent shows
 - n. Dances
 - o. Plays
 - p. Concerts
 - q. Refreshment sales
 - r. Vending machines - must be operated in such a manner so as not to interfere with the standards of nutrition established for the National School Lunch Program. Proceeds from vending machine sales to which students have access must be used for the purpose of enhancing academic programs and other initiatives for the benefit of students. Not more than 10% of the net profits or \$5,000 from vending machine sales up to the first \$50,000 and 2% of the net sales exceeding \$50,000 may be retained to finance discretionary expenditures and activities. Proceeds from vending machines located in a staff lounge shall be used for expenditures and/or activities that benefit the school faculty.
 - s. Additionally approved fund raising activities and/or sources approved after the adoption of and not included in these Administrative Procedures.
9. Raffles, lotteries, or any other gambling related initiatives shall not be used to raise funds for school activities.
10. Parent/teacher associations (PTAs), parent/teacher/student associations (PTSAs), parent/teacher organizations (PTOs), parent/teacher/student organizations (PTSOs), and booster clubs, which are separate and independent of the school system, are not governed by this procedure.
- V. **RELATED PROCEDURES:** Administrative Procedure 5135.1, Fund Raising and Administrative Procedure 5137, Sales Tax.
- VI. **MAINTENANCE AND UPDATE OF THESE PROCEDURES:** This Administrative Procedure will be maintained by the Office of Business and Community Outreach and updated, as needed.



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VII. **CANCELLATIONS AND SUPERSEDURES:** None. This is a new Administrative Procedure.

VIII. **EFFECTIVE DATE:** May 22, 2003.

Approved by:
Iris T. Metts
Chief Executive Officer

Distribution: Lists 1, 2, 3, 4, 5, 6, 10, and 11