

### 5.1.5 Fiduciary Agreements and Gifts to Schools

PTA programs promoting parent education, home and school cooperation, children's well-being, community betterment, and funding for education must have first call on PTA funds. However, when a PTA is asked to purchase or provide materials for the local school, it is necessary to follow certain guidelines so that the gift will be acceptable to both the PTA membership and the school district.

When making gifts, a Fiduciary Agreement should be completed by the PTA and signed by all involved so that all parties acknowledge and agree to gift restrictions (Forms, Chapter 9). If a Fiduciary Agreement is not completed, gifts to the school that are accepted by the school district become the property of that district and can be moved or used at any school within the school district.

Certain gifts, such as funding for field trips, enrichment programs, teacher aides, special instructors, books, classroom supplies, or major equipment purchases, require prior approval from the PTA membership, school principal, and school district. Many school districts have policies and regulations on accepting gifts. Be sure to check with the school district **before** purchasing any materials or gifting funds to the school.

PTA members must approve all expenditures of funds, including the amount of monies to be used for gifts to the school, prior to the expenditure of those funds. This approval must come in the form of a motion and vote at a meeting of the membership and must be recorded in the association minutes of the meeting. Since PTA membership is new each year, funds cannot be committed from one year to the next unless funds were raised for a specific purpose and are therefore restricted. One example might be funds raised over three years for a major purchase. If restricted funds are not used for their designated

purpose the funds must be returned to the donors or the donors must agree to the new purpose.

A gift to the school should benefit the largest number of students possible. Gifts should be in the form of a donation, presented and accepted by the school board at a school board meeting and recorded in the school board minutes. This ensures the school district will assume responsibility for the liability, maintenance and upkeep of any equipment purchased. Check with the school district to determine whether it is better to donate money for any equipment and have the district purchase the item(s) instead of the PTA purchasing the item(s) and then gifting them to the school.

At the first association meeting following the acceptance of the gift by the school board, a description of what was given to the school district must be noted again, and the date the school board accepted the gift must be recorded in the PTA association minutes.

The school district is subject to fiduciary responsibility. If the school district accepts money or equipment that is given subject to a restriction, then the restriction must be honored or the law will impose personal liability on the officers or trustees of the school district in their individual capacities. It is possible that the law would merely require the refund of the gift not used for the restricted purpose. The law does not do that automatically – there must be a complaint filed with the school district by the donor.

If the school district or any recipient is not willing to honor the restrictions on use which accompany a charitable contribution, then the recipient must decline to accept the gift. There is no duty of any recipient of an offered charitable gift to actually accept the gift if there is a restriction attached.

#### Gifts to Schools

- **Field Trips** -Should benefit the majority of students within the school. **PTA should not pay directly for the bus, nor sign any papers relating to the proposed trip. REMEMBER:** PTA Insurance **does not** cover children except as volunteer workers.
- **Trees and Plants** – Should be cleared by the principal through the school district.
- **Computers** -Should benefit the majority of students within the school. All purchases should be made in consultation with the school district. PTAs should determine how the equipment will be used to enhance the instructional program and make sure:
  1. That there is a comprehensive school district plan specifying how the equipment will be used with school curriculum.
  2. That the equipment to be purchased is part of the school district's overall plan.