

## Portland Public Schools- PROPOSED REVISION

Code: DED  
Adopted: 9/09/02  
Orig. Code: 7.10.030-P

### District Educational Foundation

~~(The Board as no authority over the foundation as it is an independent entity)~~

**Purpose.** Portland Public Schools and the children that attend them have been generously supported by the Portland and broader community in many ways. A District Foundation provides a formal structure for raising, receiving, and administering donations to the District for special and general purposes. The primary purpose of the Foundation is the support of the District through the raising and distribution s of funds administered by the Foundation for additional supports and services to advance the mission, vision, and strategic plan for Portland Public Schools. ~~All private support not provided directly to the District shall be through the District Foundation or associated organizations[1][2][3][4].~~ It is the intent of the Board that the foundation be guided by priorities of equity, educational excellence, preservation of a strong public school system and support district wide implementation of the Oregon Educational Act for the 21st Century, district mission and goals. ~~Both the Board and the foundation board of directors will receive annual evaluations reports for all funded projects.~~

The District Foundation. The Board authorizes the establishment of a District Foundation. The District Foundation must submit to the Superintendent for review its Articles of Incorporation, Bylaws, and all other enabling documents. The Superintendent will notify the Board of the Foundation in writing of its recognition of the Foundation and will enter into a Memorandum of Understanding to assure ongoing compliance with this policy.

The Foundation will be incorporated as required under Oregon law and registered as a tax-exempt corporation under Section 501 of the Internal Revenue Code. Upon dissolution or withdrawal of recognition of the Foundation, the Foundation's net assets shall be distributed pursuant to its Articles of Incorporation.

Independence. The Foundation will be independent from the District. To assure independence, the Foundation's governing body, employees, and agents shall not be subject to control by the District or a District employee, nor shall it give the appearance that the District or any of its

employees control the Foundation or its property, including investment of gifts and endowments made to the Foundation. The Foundation will be operated in conformance with established district wide foundation principles and governed by a board of directors whose selection, membership, and functions will be set forth in the Foundation's by-laws **and which is separate from the District's board of directors.** No District employee may be a voting member of the board of the Foundation although the Superintendent must and other District employees may be *ex officio*, nonvoting members of the Foundation's board to monitor foundation activities.

The Foundation may not provide salaries, consulting fees, loans, perquisites, or other benefits to a District employee unless approved by the District Board of Education and provided through the District. The District may, however, ~~The foundation may also~~ enter into an operating agreement with the ~~District Foundation~~ for the use of District staff and services. |

The Foundation will be audited triennially by an external auditor chosen by the Foundation<sup>[5]</sup>, and this report will be provided to the Superintendent for review. The Foundation must also permit the Superintendent or his designee to inspect and audit all Foundation books and records and will provide reports of and information on its financial status and operations as required by the Superintendent. Annually, the Board of Education will invite the Foundation to provide a report for the previous year.

END OF POLICY

Legal Reference(s):

ORS 294.305 to -294.565

ORS 332.107

ORS 332.155