

	<b>Superintendent's Circular</b>	<p>NUMBER: FIN-21</p> <p>Version 01</p>
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## CREATING A BPS-RECOGNIZED INDEPENDENT 501C3

*This circular will remain in effect unless rescinded or superseded by a subsequent version.*

The Boston Public Schools encourages schools to seek and receive external resources to supplement their instructional and programmatic strategies. To this end, the Boston Public Schools has partnered with the Boston Educational Development Fund (BEDF) to serve as a 501c3 fiscal agent to receive financial donations as charitable contributions, eligible for tax deductions by the donor. Independently, as a fiscal partner to schools, BEDF manages funds, creates financial reports, and offers technical assistance to schools in their pursuits of private funds. BPS schools are entitled to utilize BEDF as a fiscal agent in pursuit of private funding.

In the case that a school wishes to pursue establishing and managing an independent 501c3, formal approval is required.

### SCHOOLS WITH EXISTING INDEPENDENT 501C3S

Schools with existing 501c3s, *registered with the proper federal and state authorizing agencies*, must complete the [BPS Independent 501c3 Form](#) to update BPS on current details including board structure, status, and operating revenue. Independent 501c3s with strong governance boards and rationale will receive recognition from BPS.

## **SCHOOLS SEEKING TO ESTABLISH A BPS-RECOGNIZED INDEPENDENT 501C3**

To request to establish a 501c3, all schools *must* have the following:

- A strong rationale for the need for a separate, independent 501c3.
- A draft plan for the 501c3 including governance board.
- A track record of managing private investments appropriately and on-time reporting OR someone on the governing board with this experience.
- An estimate of anticipated annual revenue and revenue sources.

For a school to establish a 501c3, the following outlined steps must be completed, and approval given by the superintendent:

- All schools must complete a [BPS Independent 501c3](#) .
- Submitted requests will be reviewed by the chief financial officer and superintendent and approved if a strong application is submitted.

## **COMPLIANCE AND ACCOUNTABILITY**

BPS reserves the right to alert foundations/nonprofit partners to the existence of 501c3 that are considered to be out of compliance or that have been created without proper approval from the Superintendent's Office.

BPS believes in the ability to provide timely, accurate, and thorough reports to our philanthropic partners and takes seriously the significant commitment of time and expertise that this places on a school community to run an independent 501c3.

We encourage the use of our established partner, BEDF, to responsibly manage funds. BPS has put these requirements in place to ensure proper management of all funds and proper reporting, to support schools in philanthropic pursuits, and to provide a low-cost 501c3 to house private funding.

**For more information about this circular, contact:**

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