



THE NEW YORK CITY DEPARTMENT OF EDUCATION
JOEL I. KLEIN, *Chancellor*

APRIL 2006

GIFTS AND GRANTS PROCEDURES

1. BACKGROUND

In order to update language and policy regarding *Gifts and Grants* necessitated by the restructuring of the Department of Education, we are re-issuing this memorandum, which will supercede all previous memoranda, regulations and/or SOPM topics on this subject.

In two Board of Education Resolutions adopted in 1987, the Board of Education authorized and empowered the Chancellor to accept **gifts** and federal, state, and special competitive **grants** on behalf of Community School Districts and Central Offices. For the primary purpose of public disclosure, receipt of these gifts and grants was required to be disclosed to members of the Board of Education on their monthly calendar in a *Report to be Noted*. Beyond the reporting of such gifts and grants, several forms, letters, checks and proposal copies were required to be submitted to the Chancellor's Office. Spending could not be commenced nor contracts generated for the gift or grant until the Board of Education accepted the *Report to be Noted* through Calendar review and approval.

With the dissolution of the Board of Education in 2002, **new procedures** for the administration, reporting, utilization and spending of gifts and grants became necessary. **This memo will address these new procedures.**

Note: This memorandum gives details regarding the Gifts and Grants Tracking System for reporting from Senior Grant Officers (SGOs) to Central Offices **ONLY**.

An on-line school-based reporting system for all gifts (monetary and non-monetary) and grants has been launched by the Office of Government and Grant Programs in concert with the ROCs. Complete details with links to appropriate websites for entering gifts and grants information can be found in an article appearing in the February 10, 2004 edition of the "*Principal's Weekly Newsletter*" titled "*New Website Available for Schools to Report Gifts and Grants.*" You may access this article by going to the following website: <http://www.nycboe.net/schools/principals/> >click on February 10, 2004 issue > go to article appearing on page 5.

2. DEFINITIONS

2.1 GIFT (DONATIONS)

Gifts are irrevocable transfers of assets (e.g., cash, securities, real or personal property) made by a donor without any expectation or receipt of direct economic benefit or tangible compensation (i.e., goods or services) from the recipient commensurate with the worth of the gift. In short, a gift is something that is bestowed voluntarily and without compensation.

Note: The reporting threshold for Gifts (monetary or the fair market value of property) has been increased from \$5,000 to \$10,000.

2.2 GRANT

A grant is any externally-funded activity that has a defined scope of work or set of objectives which provides a basis for sponsor expectations. Generally, a grant involves a written agreement representing the voluntary transfer of money or property by a sponsor in exchange for specifically enumerated performance of services, often including rights and access to results of this performance, and some formal financial and/or technical reporting by the recipient as to the actual use of money or property provided. Such agreements are enforceable by law, and performance is usually accomplished under time and fund use constraints with the transfer of support revocable for cause. In short, a grant is giving of funds or property for a specific purpose.

3. PHILOSOPHY

With the Department of Education's strained resources, other creative ways must be explored by supervisors and administrators to augment funding for educational and administrative priorities; **Gifts and Grants** have always been avenues by which additional revenue were generated.

Although most gifts and grants are funded by very well-intentioned organizations or individuals, **it is most important to note that prior to the acceptance of a grant or gift, officials at receiving schools and sites must assure that comprehensive research of the donor has been completed. It is paramount that the integrity of the individual donor or organization is uncompromised and that the nature of the gift or grant is for the purpose(s) stated with no other intent involved. In addition, approval by appropriate Department of Education (DOE) senior management is required if any grant and/or gift has terms and conditions that may require additional fiscal resources or requirements (matching requirements).**

4. RESPONSIBILITY

In accordance with the new procedures in this memorandum, the Office of the Chancellor, the Division of Financial Operations (DFO), the Office of Legal Services (OLS) or any other central office involved in the administrative reporting process will **not** assume responsibility for the public notification or authorization of acceptance of funds for gifts and grants. **Instead, the Chancellor has delegated the acceptance responsibility to the respective Learning Instructional Division (LID), Regional Operation Center (ROC), or division/office head.**

5. PUBLIC DISCLOSURE

It has been the practice to allow the public access to information on gifts and grants awarded to schools and sites within the NYC Department of Education via the *Report to be Noted*. This practice will continue under a new reporting and acceptance procedure outlined in section 8 of this memo. Specifically, provision will be made on the Department of Education's Division of Contracts and Purchasing (DCP) website (through the Gifts and Grants Tracking System), for concerned individuals or organizations to access information regarding the award of any gift or grant. You may access this section by doing the following:

1. Log onto DCP's website at: <http://schools.nyc.gov/DCP>.
2. Click on "Contract Registration Status" under "Professional Services" (left side of page).
3. Log on per instructions on "Statue of Liberty" page.

6. IMPORTANT INFORMATION TO DFO'S BUREAU OF RECEIVABLES ACCOUNTING

Upon receipt of a **gift or grant**, important information must be provided to the Division of Financial Operations (DFO) – Bureau of Receivables Accounting, so that an appropriate Quick Code can be established for tracking and spending purposes in the DOE's Financial Accounting Management Information System (FAMIS). This information will also be used to provide the Division of Budget Operations and Review (DBOR) with required information so they may authorize the allocation (enter a lump sum) prior to spending.

Note: Any gift or grant that requires expenditure in the Department of Education's Accounting System (FAMIS) requires an entry by the Senior Grant Officer (SGO). This would not be necessary if the monetary gift or grant is deposited into the General School Fund account. Simply follow the procedures outlined in the SOPM chapter titled: "General School Funds and Cash Transactions."

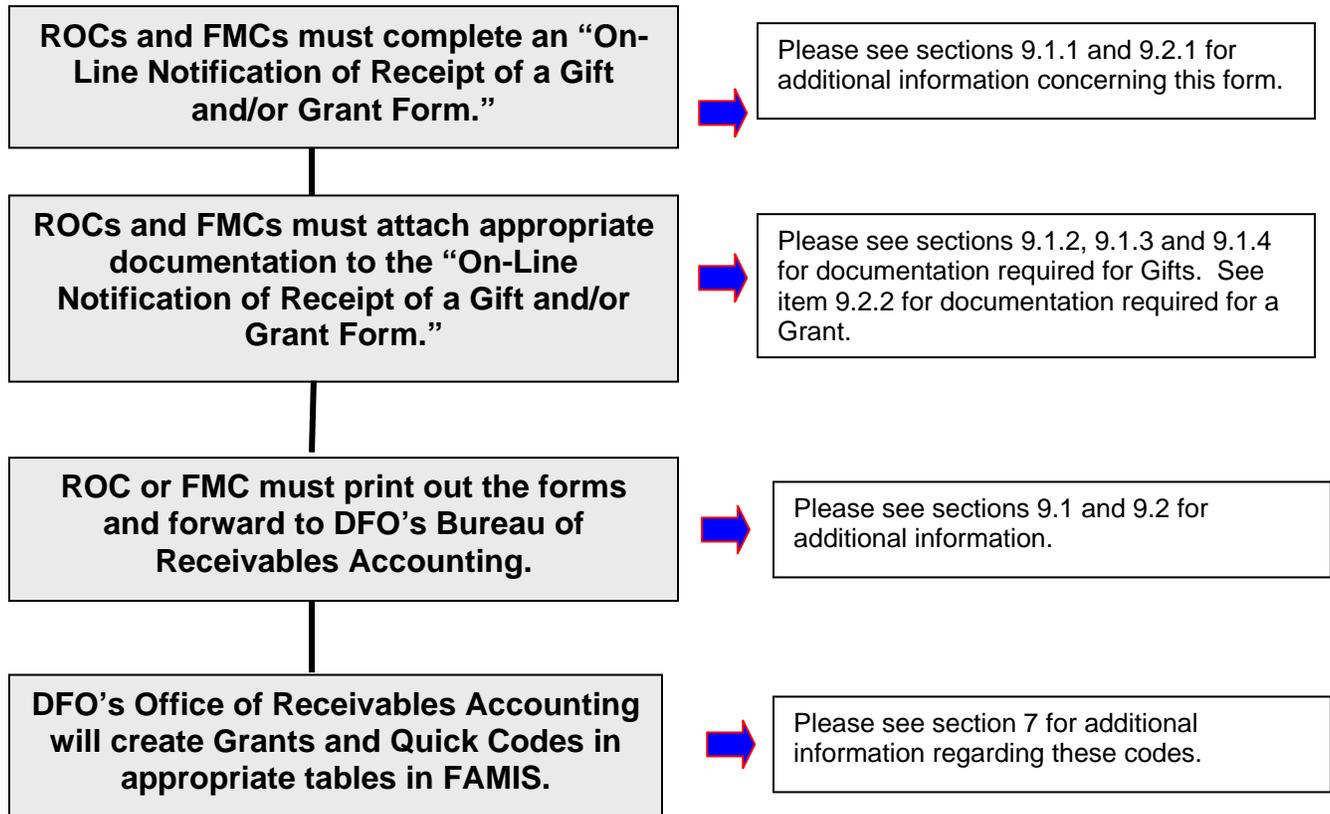
7. DETERMINING APPROPRIATE ACCOUNT CODES AND AUTHORIZATION TO SPEND

Upon receipt of all documentation by the Bureau of Receivables Accounting (discussed in section 9), an appropriate Quick Code will be established. Notification of the amount will be forwarded by the Bureau of Receivables Accounting to the Division of Budget Operations and Review (DBOR) as well.

Details for determining the appropriate Quick Code and DBOR entry of the allocation can be attained via FAMIS or Galaxy.

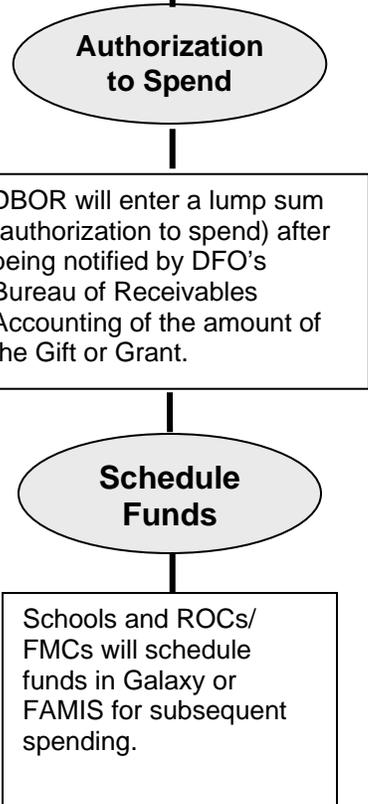
Note: In the near future, appropriate Quick Codes may be accessed by logging on to DFO's website. Upon DBOR authorization, lump sums can be viewed on-line and are available for scheduling in FAMIS. Lump sums are available in Galaxy two days after entry in FAMIS.

8. PROCEDURES (PROCESS FLOW) FOR REPORTING A GIFT OR GRANT



Note: A contract must be promulgated by DCP for all grants greater than \$50,000 where a professional services vendor is specified. This will not be the case if a system-wide Requirements Contract is already in existence for that professional service.

For further information, please visit the following webpage:
<http://schools.nyc.gov/Offices/DCP/ProfessionalServices/ContractAbstracts>



9. DOCUMENTS REQUIRED

9.1 GIFTS

The **gift** recipient must submit the following documents to:

**Division of Financial Operations
Bureau of Receivables Accounting**
65 Court Street – Room 1803
Brooklyn, NY 11201
(718) 935-2216

9.1.1 Notification of Receipt of GIFTS Form

Note: Please print this sheet including the Log Number generated by the Gifts and Grants Tracking System. Affix to this form the items alluded to in Sections 9.1.2 to 9.1.4 below.

This form, entered on line, must be submitted by ROCs and central offices for all gifts that require spending through FAMIS. This form may also be used to **amend** a previously reported gift. If the donor requires the Department of Education to enter into an agreement for a special program as a condition of the gift, then the Department's standard contract rules and regulations shall apply.

9.1.2 Donor Letter

This letter must detail the purpose of the gift and any special terms and conditions.

9.1.3 Actual Check

This check will be deposited by the Bureau of Receivable Accounting and a Quick Code (grant number) will be created for subsequent spending.

9.1.4 Will or Deed of Trust

Required if a scholarship or trust fund will be established under the terms of a will or deed of trust. Please consult with the Office of Legal Services (OLS) for specific procedures regarding Wills or Deeds of Trust.

9.2 GRANTS

The **grant** recipient must report **all** federal, state, and special grants awarded **directly** to his/her ROC or central office (along with the following documents) to:

Division of Financial Operations
Bureau of Receivables Accounting
Note: Please print this sheet including the Log Number
65 Court Street, Room 4809
Brooklyn, NY 11201
(718) 935-2210
generated by the system.
Affix a copy of the Grant Award Letter.

9.2.1 Notification of Receipt of Grants Form



This form, entered on line, must be submitted by ROCs and central offices for both single period grant awards and multi-year grant awards (e.g., 21st Century Community Learning Centers). This form may also be used to **amend** a previously reported grant.

9.2.2 Copy of Grant Award Letter

This letter must detail the purpose of the grant and any special terms and conditions.

Note: The Summary Data Form is no longer required. It was formerly required for high schools, Citywide Special Education, and Central FMCs.

