

ICOC Review of June 17, 2010 Letter Regarding Donated Cash/Charitable Gifting

Communities throughout San Diego have a long history of partnering with their local schools to fund projects at individual schools sites, ranging from subsidizing enhancements to the curriculum to capital projects. Over the decades, some communities have raised millions of dollars in support of their schools, while others have been limited in their fundraising efforts. This has led to the potential for “have” and “have not” schools when it comes to the potential for the donation of cash, materials and service opportunities that might cause a capital project to be moved up on the District’s capital improvement program list.

In the Independent Citizens Oversight Committee’s (ICOC) review of this issue, concern was expressed regarding treating communities fairly and equitably. The potential donation of cash, materials or service that might affect the ranking a project might have on the Proposition S project list, for example, should be analyzed prior to a decision regarding a proposed donation. More importantly, significant donations which have such a potential should be reviewed and approved by the Board of Education.

The ICOC makes the following observations:

1. The Board of Education should review and approve the acceptance of any donation of cash, materials or services in excess of \$50,000 toward any facilities related project, whether a single or cumulative donation.
2. District staff should prepare a comprehensive report to the Board of Education for each proposed donation of cash, materials or services in excess of \$50,000 toward any facilities related project, whether a single or cumulative donation, that will include the following analysis:
 - What is the intended improvement to student academic or athletic achievements on site and/or how it improves the educational climate at the site?
 - How will the proposed donation affect existing and/or planned facilities at the school site; including whether it will accelerate, replace or augment another project planned for the site?
 - Are operating costs included in the donation? Will donation impact operating costs?
 - Are matching funds required to fully fund the project, and if so, what are their potential sources using either District or other identified funds? How and when will any required matching funds be committed or acquired?
 - Exactly how would the donation affect any current or proposed bond-funded projects within the District?
 - Exactly how would the donation affect any current or proposed non-bond projects within the District?
 - If the donation is multi-year or multi-project and/or involves the donor also providing ongoing operating funds, what is the capacity of the donor to successfully complete the project?
 - Is there an urgency involved with the donation, such as a critical need at the school site or a “use or lose” element for the donation?