

# MIDDLETOWN AREA SCHOOL DISTRICT

SECTION: FINANCES

TITLE: EDUCATIONAL TRUST

ADOPTED: November 15, 1993

REVISED:

	<b>609.1. EDUCATIONAL TRUST</b>
1. Authority	The Board of Directors of the Middletown Area School District, Dauphin County, Commonwealth of Pennsylvania does hereby establish a Revocable Trust pursuant to the authority contained in Section 216 of the Public School Code of 1949 (24 P.S. Sec. 2-216) upon the following terms and conditions.
2. Guidelines	<p><u>Trust Administration Board</u></p> <p>The trustee of this Trust shall be the duly elected and qualified members of the Middletown Area School District Board of Directors acting, for the purposes of this Trust, as the Middletown Area School District Trust Administration Board.</p> <p><u>Trust Property</u></p> <p>The trustee may receive and hold subject to the further provisions of this Declaration of Trust, any property, real or personal, which shall be donated to the school district by devise, bequest, grant, endowment, gift or donation.</p> <p><u>Investment Of Trust Assets</u></p> <p>The Trust Administration Board shall promptly invest and keep invested as constantly as possible all property received by it. Such investments shall be made only in investments authorized for fiduciaries by Chapter 73 of the Decedents, Estates and Fiduciaries Code (20 PA C.S.A. Sec. 7301 et seq).</p> <p><u>Distribution Of Principal And Income For Educational Purposes</u></p> <p>1. <u>Restricted gifts.</u> Property received by the trustee the use of which is limited or restricted by the terms of the gift shall be administered in accordance with such limitations and restrictions.</p>

2. Unrestricted gifts. Property received by the trustee without limitation or restriction as to its use shall be held and invested by the trustee, and the income therefrom may be distributed by the trustee for the purpose of improving the regular curricular and extracurricular programs of the district, to provide scholarships to students attending post-secondary educational institutions and for such other educational purposes as the trustee shall deem appropriate, subject to the provision that such purposes be permitted by the Public School Code of 1949, as amended and supplemented.

Trust Advisory Board

The Board of School Directors hereby establishes the Middletown Area School District Trust Advisory Board which shall consist of nine (9) members to be selected and determined as follows:

1. The Superintendent of the Middletown Area School District.
2. One member of the Middletown Area School Board to be selected by a majority of said Board.
3. One building principal of the Middletown Area School District to be selected by the school district Administrators.
4. One faculty member of the Middletown Area School District to be selected by the faculty.
5. One alumnus of the Middletown Area School District to be selected by the Superintendent of Schools.
6. One resident of the school district to be selected by the President of the Board of Directors.
7. One resident of Lower Swatara Township to be selected by the Lower Swatara Township Board of Commissioners.
8. One resident of the Borough of Middletown to be selected by Middletown Borough Council.
9. One resident of the Borough of Royalton to be selected by the Royalton Borough Council.

With the exception of the Superintendent, and following the initial staggered terms, each member of the Trust Advisory Board shall serve for a term of three (3) years or until a successor is chosen. Of the members initially selected to the Trust Advisory Board (excluding the Superintendent) the terms of two (2) of the members shall expire December 31, 1994; the terms of three (3) members shall expire December 31, 1995; and the terms of the remaining three (3) members shall expire on December 31, 1996. After the initial appointments to the Trust Advisory Board, the Board of School Directors shall at its annual meeting in December of each year appoint members to fill the then expiring terms for a term of three (3) years commencing the following January 1.

The Trust Advisory Board shall meet annually for the purpose of organization, at which time it shall elect a chairperson, vice-chairperson and secretary from among its members, each to serve for a term of one (1) year or until his/her successor is elected and qualified.

The Trust Advisory Board shall meet as frequently as necessary to perform its duties and functions and may establish a schedule of regular meetings.

The Trust Advisory Board shall have the authority to:

1. Recommend a program for the solicitation of unrestricted gifts to the district.
2. Recommend methods for providing adequate public recognition to those individuals and businesses which elect to make gifts to the district.
3. Identify educational needs of the district and recommend educational programs or purposes which might properly be funded by the Middletown Area School District Education Trust.

#### Audit Of Trustee's Account

The Trust Administration Board shall keep an accurate account of all devises, bequests, grants, endowments, gifts, and donations accepted; the income arising therefrom; the proceeds thereof; and the expenses of administering the same and shall render a detailed statement thereof at the end of each fiscal year, which statement shall be audited by the certified public accounting firm appointed to audit the accounts of the school district.

Amendment Or Revocation Of Declaration Of Trust

The Middletown Area School District Board of School Directors reserves the right to amend this Declaration of Trust at any time by a proper instrument in writing and further reserves the right to revoke this Declaration of Trust at any time, in whole or in part, by a proper instrument in writing.

The Middletown Area School District Board of Directors has caused this Declaration of Trust to be executed by its President and attested to by its Secretary.