

**Sioux City Community School District
Executive Summary
Estate of Eva L. Karroll
August 9, 2021**

Purpose:

To consider the acceptance of a bequest from the Estate of Eva L. Karroll.

Explanation:

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East High School received a bequest from Eva L. Karroll. The last will and testament of Eva L. Karroll states that twenty-five percent (25%) of her estate shall be distributed to East High School to establish a scholarship in the name and in honor of Nicholas Karroll.

Twenty-five percent (25%) of the Estate of Eva L. Karroll is estimated to be \$429,098.11.

Board Policy 805 Gifts to the District states the following:

The following criteria shall be used to determine whether or not the gift shall be accepted or requested on behalf of the District:

- *Gifts must be consistent with the mission, objectives, goals and policies of the District;*
- *Gifts must be free of all safety and/or health hazards;*
- *Gifts must be free of any direct or implied endorsements or conditions;*
- *Gifts must not create significant, ongoing inequity of programs and/or facilities available to students within or between schools;*
- *Gifts must not obligate the District to financial support or continuing costs without the Board's approval;*
- *Gifts must not unreasonably add to staff workload including technology support;*
- *Gifts must not place any restrictions on any programs or operations, including but not limited to those programs which may use the gift; and*
- *Gifts must comply with applicable laws as well as any relevant provisions of Board policies, collective bargaining agreements, and District regulations or specifications.*

Individuals, organizations, or groups are required to discuss a proposed gift in advance with the Superintendent or his/her designee. Upon acceptance of the gift, the District will provide acknowledgment of the gift, but it is the responsibility of the donor to establish the value of the gift.

If the Board receives and accepts funds through a gift pursuant to this policy it shall deposit the funds in a trust fund, permanent fund, or custodial fund and shall use the funds in accordance with the terms of the gift as set forth herein.

All gifts to the District shall become District property and shall be accepted without obligation relative to use and/or disposal unless the District has explicitly accepted the gift subject to donor conditions in writing, which written conditions will be binding on the District upon acceptance. The District may sell, lease, rent, or exchange and invest or expend any principal and income from gifts and enter into contracts and adopt regulations deemed necessary by the Board to provide for the receipt, utilization, and/or expenditures of the gifts, conveyances, devises, or bequests.

If the Board accepts the bequest, the District will need to establish a Private Purpose Trust Fund. A Private Purpose Trust Fund accounts for assets held by the District in a trustee capacity for others and therefore cannot be used to support the District's programs. The principal and income will benefit individuals.

Focus 2022 Goal Area:

Practice Effective, Efficient and Sustainable Business Practices

Impact on Student Achievement:

N/A

Funding Source:

N/A

Recommendation:

That the Board of Directors considers acceptance of the bequest and, if accepted, approves the establishment of a Private Purpose Trust Fund.

Specifically, upon acceptance of the bequest from the Estate of Eva L. Karroll, the Board of Directors authorizes the District to establish a trust/fiduciary fund with Security National Bank to invest the funds and to administer the Nicholas Karroll Scholarship, and further authorizes the Superintendent, to take all reasonable and necessary actions to establish and administer the fund.