



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 161061 (As Amended, 6/5/17)

Introduced December 1, 2016

Councilmember Oh

**Referred to the
Committee on Finance**

AN ORDINANCE

Authorizing City Officials to File Articles of Incorporation to establish a Non-Profit Corporation that shall be called The Philadelphia School Teacher's Reimbursement Fund, Inc., for the purpose of reimbursing personal money spent by teachers of the Philadelphia School District for the purchase of supplies, materials, and equipment needed for their classrooms.

WHEREAS, Due to the Philadelphia School District's continuing structural deficits, many schools in Philadelphia lack basic school supplies and materials for their students; and

WHEREAS, The City of Philadelphia recognizes that some Philadelphia teachers are spending significant amounts of personal income to provide teaching materials such as books, art supplies, and electronics that are lacking in their classrooms; and

WHEREAS, Until the Philadelphia School District achieves long-term fiscal health along with effective management of its operations, a funding source dedicated solely for reimbursing teachers to purchase school supplies and teaching materials is necessary in the City of Philadelphia; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Mayor and the President of City Council are hereby authorized to file, as incorporators, articles of incorporation for The Philadelphia School Teacher's Reimbursement Fund, Inc., with the Secretary of the Commonwealth of Pennsylvania. The Articles of Incorporation shall be substantially in the form set forth in Exhibit "A," attached hereto, with such changes as the City Solicitor deems necessary or desirable.

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SECTION 2. The Chief Clerk of City Council shall keep Exhibit “A” to this Ordinance on file and make it available to the Public for inspection and copying during regular office hours.

SECTION 3. Effective Date. This Ordinance shall take effect on July 1, 2017.

Exhibit "A"

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
CORPORATION BUREAU
ARTICLES OF CORPORATION

In compliance with the requirements of the Nonprofit Corporation Law of 1988, as amended, 15 Pa. C.S.A. §5306, the undersigned, all of whom are individuals of full age, desiring to form a nonprofit corporation, do hereby certify:

1. Name. The name of the corporation is: The Philadelphia School Teacher's Reimbursement Fund.
2. Address. The location and post-office address of the corporation's initial registered office in this Commonwealth is:
3. Purposes. The corporation is incorporated under the Nonprofit Corporation Law of the Commonwealth of Pennsylvania, and the Corporation does not contemplate pecuniary gain or profit, incidental or otherwise. The nature of the activities to be conducted, and the purpose shall be exclusively to reimburse personal money spent by teachers of the Philadelphia School District for the purchase of supplies, materials, and equipment needed for their classrooms consistent with Section 501(c)(3) of the Internal Revenue Code, or the corresponding provisions of any subsequent tax laws of the United States. The Corporation is empowered to do all things which may be necessary, appropriate or convenient to the achievement of the foregoing purposes and which may lawfully be done by a nonprofit corporation under and pursuant to the laws of the Commonwealth of Pennsylvania.
4. Term of Existence. The Corporation shall exist for a perpetual term.
5. Non-Stock. The Corporation shall not have or issue shares of stock, nor shall it pay dividends.
6. No Members. The Corporation shall have no members.
7. Governance. There shall be a Board of Trustees consisting of seven to fifteen

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Members nominated by the Mayor of the City of Philadelphia and approved by the City Council of Philadelphia. All such Trustees shall be former teachers with a minimum of 5 years of classroom experience in Philadelphia; none shall be elected officials, or their staff. A quorum shall consist of a majority of the Trustees. The Trustees shall select their own Chairperson. The Trustees shall in their sole discretion determine whether and to what amount to reimburse teachers for qualified educational expenditures. The Trustees shall promulgate such criteria and procedures to regulate their reimbursement process.

Those procedures shall include at least the following requirements:

- (a) applicants shall be Philadelphia School District teachers; and
- (b) applicants shall apply directly to The Philadelphia School Teacher's Reimbursement Fund; and
- (c) reimbursements shall only be for expenses properly documented with receipts; and
- (d) reimbursements shall be made with regard to the socioeconomic status of the students to be benefitted; and
- (d) reimbursements shall not exceed \$5,000.00 per applicant per year.

8. Restrictions. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered, and to make payments and distributions in furtherance of the purposes set forth in Article 3 hereof. Except as may be permitted under the provisions of Section 501(h) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent tax laws of the United States, no substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation. The Corporation shall neither participate nor intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office, nor shall it take a position on any issue raised in a political campaign for the purpose of aiding or opposing any candidate. Any other provision of these Articles of Incorporation to the contrary notwithstanding, the Corporation shall not carry on any activities not permitted to be carried on: (a) by a corporation exempt from Federal Income Tax under Section 501(a) and Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provisions of any subsequent tax laws of the United States; or (b) by a corporation, contributions to which are deductible under Section 170(a) and Section 170(c)(2) of the Internal Revenue Code of 1986, or the corresponding provisions of any subsequent tax laws of the United States.

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