



**THE PUBLIC SCHOOLS OF BROOKLINE**  
BROOKLINE, MASSACHUSETTS 02445

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January 18, 2006

Ms. Skye Morrison Kramer  
Brookline Education Foundation  
40 Webster Pl.  
Brookline, MA 02447

Dear Skye,

The purpose of this letter is to communicate the interpretation of the Town Comptroller relative to Brookline Foundation awards in order to avoid confusion after the fact of the award relative to taxable and non-taxable income.

Generally the awards fall into four major categories:

- 1) Stipends – These funds are awarded to the recipient to perform work or research beyond the scope of regular duty.

These funds are considered taxable income.

- 2) Reimbursable Expenses – The recipient will receive the award to purchase goods or services which will enhance their skills as a teacher upon their return to school in September.

These expenses are fully reimbursable upon presentation of appropriate expense receipts. Indeed, direct payment to the vendor can be arranged ahead of time – lead time is important – by presenting appropriate documentation to the Grants Office prior to the event.

Example: Teacher award to attend six-day National Science Foundation conference in Tempe, Arizona. All non-international travel, lodging, food (excluding alcohol) and conference fees are eligible for reimbursement (or pre-payment). The \$2,500 award is non-taxable to the individual when appropriate expense receipts are presented.

- 3) Study Grant – Enrollment in courses from accredited colleges/universities and the books and materials required for the course are fully reimbursable. Travel, lodging, food, etc. related to this study, which may also be awarded from the Foundation, is taxable income.

Example: Teacher award of \$2,500 to enroll in Conceptual Physics course at CalTech during the summer. The tuition of \$1,750 and books of \$110 are

non-taxable income when appropriately documented. The miscellaneous expenses of \$640 for food and lodging are taxable income.

- 4) Foreign Study Grant – All activity outside the borders of the United States, regardless of its content or purpose, is taxable income.

I hope this information is helpful to awardees in structuring their activities and considering whether the tax regulations should affect their choices of activity design. Clearly there are gray areas within items 1 and 2 which may require further clarification. We will generally attempt to apply common sense in the interpretation of these guidelines.

Thank you for your continued support for the efforts of all individuals in the Public Schools of Brookline.

Sincerely,

Peter C. Rowe  
Deputy Superintendent for Administration and Finance

cc: Judy Haupin  
Dr. Jennifer Fischer-Mueller  
Amy Martin  
Cindy Mahr  
Susan Fields