

IVY PREPARATORY ACADEMY

Board Policy Student Based Enterprise

Definitions of School Based Enterprise

A school-based enterprise (SBE) is an entrepreneurial operation in a school setting that provides goods/services that meet the needs of the school's target markets (i.e., students, teachers, administrators, parents, community members, community organizations/businesses). While the SBE serves many purposes, it mainly provides in depth learning experiences for students. SBEs are managed and operated by students as hands-on learning laboratories that integrate National and State Curriculum Standards in marketing, finance, hospitality or management.

BENEFITS OF THE SCHOOL-BASED ENTERPRISE TO THE SCHOOL:

The School-Based Enterprise is an asset to the school since it provides products and services at a reduced cost. In addition to individual items sold, the SBE provides products in bulk needed by various groups in the school. In some cases, the SBE sells to parents and/or school supporters, community organizations and/or businesses, etc., thus creating stronger ties between the school and the community.

BENEFITS OF THE SCHOOL-BASED ENTERPRISE TO THE STUDENTS:

In addition to gaining greater understanding of career cluster knowledge and skills, School-Based Enterprises are extremely important to students since they allow them to apply their knowledge and skills in a "live" business setting where challenges arise daily and people interactions are always varied. On a larger scale, school-based enterprises are effective educational tools in helping prepare students to transition from school to work or college by deepening students' communication, critical thinking, collaboration and creativity skills. For many students, SBE's provide the first work experience; for other students, SBE's provide an opportunity to build management, supervision and leadership skills.

Head of Schools' Responsibility

The Head of Schools' has the authority to decide whether or not a SBE will be operated on the school premises. He/she has the authority to establish a SBE where none is in existence or to abolish an existing SBE when, in his/her judgment, it is in the best interest of the school to do so.

The Head of Schools will work with the Academy Leaders to appoint a SBE sponsor to be responsible for the day-to-day operations. Some of the qualities that the principal looks for in a sponsor are:

- Knowledge of the business venture's curriculum
- Marketing, business and/or accounting experience
- Integrity
- Dependability
- Rapport with students
- Interest and enthusiasm
- Availability when the SBE is open

- Willingness to devote the time and effort necessary to ensure a successful store operation

The Head of Schools, often in collaboration with the Academy Leader & sponsor, may establish policies, requirements, and restrictions for the operation of the SBE as he/she deems appropriate provided they are not inconsistent with the requirements of the School Accounting Procedures or other applicable local, state, and federal policies and procedures.

The Head of Schools, in collaboration with the Academy Leader & sponsor, is responsible for ensuring the merchandise offered for resale is appropriate for a school store.

The Head of Schools may approve or restrict a specific list of items to be sold.

The Head of Schools, along with the Academy Leader & sponsor, should make a general review of the SBE operations annually and evaluate merchandise, stock levels, pricing practices and profitability.

The Head of Schools, along with the Academy Leader & sponsor, should examine monthly financial reports prepared by the school bookkeeper and be responsive to problems such as excessive purchases in relation to sales, substantial decreases in sales compared with the previous month or previous year, or deficits in the account. If additional information is desired, a monthly Account History Report can be generated which shows all transactions incurred by the SBE during the month. Upon written request of the sponsor and approval of the principal, profits from SBE operations may be transferred to other School Accounts for use in financing other authorized school activities.

SBE Sponsors Responsibility

The teacher/sponsor is responsible for the day-to-day operation of the SBE in compliance with the requirements of the School Accounting Procedures and other local, state, and federal policies. While the teacher/sponsor will ultimately be responsible for all SBE operations and outcomes, she/he will likely have most of the tasks performed by student employees. Subject to any instructions or restrictions prescribed by the Principal, the teacher/sponsor will oversee students' handling of the following tasks:

- Establish the operating hours of the SBE
- Select and supervise students who work in the SBE
- Purchase merchandise for resale
- Establish the selling price of merchandise
- Ensure the physical security of the merchandise and cash
- Provide daily cash reports to the teacher/sponsor and bookkeeper
- Ensure that periodic physical inventories of merchandise are taken
- Reconcile all inventory annually at the end of the school year
- Ensure the cleanliness of the SBE premises, particularly if food items are sold
- Maintain necessary SBE records
- Furnish the school bookkeeper with the data necessary to maintain the SBE account in the school accounting software
- Prepare an Annual Report which includes a Profit or Loss Statement at the end of the school year

Types of School-Based Enterprises, Store Layouts, Equipment and Product Lines

School-Based Enterprises are non-profit student learning labs. The type of SBE that is chosen should be a logical extension of the curriculum taught in the school. The curriculum pathway

selected will be the foremost determinant of the type of SBE that is instated in the school. In addition to the curriculum pathway, the school's target market(s), the needs of the student workers, and the needs of the school should be considered.

SBE's can sell to consumers through a permanent location, a mobile kiosk, the Internet or all three venues. Products may include spirit wear, food or snack and beverage items, school supplies, customized jewelry, banners, posters and signs, T-shirts and mugs, specialty coffees, etc. In addition, services such as meeting and conference planning and implementation are also offered.

TRADITIONAL SCHOOL-BASED ENTERPRISE:

- 1. DEFINITION OF THE TRADITIONAL SBE:** Traditional School-Based Enterprises are generally classified as retail stores. Since the Traditional SBE was the first and only SBE in existence for many years, it remains the most utilized SBE. Any of the three pathways in the Marketing Cluster or the two pathways in the Hospitality and Tourism Cluster can instate the Traditional SBE since all major marketing concepts are taught in all five pathways. Traditional School-Based Enterprises may take the form of large walk-In stores, small walk-In stores, concession stand stores, kiosks, and online stores. These enterprises may follow the model of a department store that sells a variety of products or a specialty store that sells a specialized product such as embroidered clothing.
- 2. LOCATION FOR THE TRADITIONAL SBE:** As a general rule, all new and remodeled Marketing and Hospitality/Tourism Pathways include a School-Based Enterprise in the blue prints submitted to GaDOE for approval. The SBE is part of the entire program suite (i.e., Classroom, SBE, Storage Room and Teacher's Office). Some schools, new and existing, open a second SBE. In this case, one SBE may be inside the program suite and the other SBE may be in a prominent, high traffic area such as the cafeteria, the front entrance of the school, a major hallway or the commons area. Existing schools with space limitations have to be more creative in relation to location. However, their goal should also be to find a prominent, high traffic location for the enterprise. In relation to the best-case scenario, SBE's are most easily operated and managed when they are part of the Marketing or Hospitality and Tourism suite. Also, security is generally better when the teacher is in close proximity to the SBE.
- 3. PRODUCTS/MERCHANDISE FOR THE TRADITIONAL SCHOOL-BASED ENTERPRISE:** Food and Drink Products sold in SBEs must follow the Healthy Hunger-free Act of 2010, public law 111-296 Sec 208; (<http://www.gpo.gov/fdsys/pkg/PLAW-111publ296/pdf/PLAW111publ296.pdf>). The Alliance for a Healthier Generation Website, Smart Snack Calculator (https://www.healthiergeneration.org/take_action/schools/snacks_and_beverages/smart_snacks/alliance_product_calculator/) should be used to ensure products sold meet guidelines, and a copy of the printout for each approved product should be kept on file.

Notice

This policy shall be available at the school and made available annually to all employees.

Right to Alternate Dispute Resolution Procedures

These procedures do not deny the right of any individual to pursue other avenues of recourse.

Effective Date: 01/28/2020

Last Revised: 01/28/2020

Authority and/or Cross-Reference