School Connected Organizations

“Booster/Auxiliary Organizations”
Thank You!

- School Connected Organizations are an integral part of school communities.
- We thank you for the support you provide to our student activities and programs.
- In order to provide all of our school connected organizations with the District and legal expectations of “Booster Clubs”, we have developed today’s training session to specifically guide organizations in required practices.
- We realize that the process of revising the District’s policies has not been effectively communicated and we appreciate your patience.
Why Are We Here?

- LCAP Goals 3 and 4:
  - Foster and honor parent/guardian and community engagement to support excellence in each student’s success.
  - Develop Coherent and transparent systems for operational excellence to support each student’s success.

- Establish clear and consistent processes and procedures for all of our school connected organizations based on the established rules and regulations found in the AR/BP 1230 and the School Connected Organization Manual.
Overview of the Presentation
(We will answer all questions at the end of the presentation)

- How did we get here?
- Current Process
- BP/AR
- Application Process, Recognition and Revocation
- Role/Purpose of SCOs
- Governance
- Role of Employees
- Fundraising - Who gets the funds?
- Finances, Handling Money, Audits
- SCOs and 1) Student Fees, 2) Title IX, 3) PRAs
Current Process for a School Connected Organization to Begin Operations

- Complete application and required documents.
- Meet with Site Administrator to approve application;
  - Once the Principal has approved and signed application, the group can begin operations. (2018-2019 only).
- The application is sent to Finance and reviewed; clarifying questions may be asked of the applying group.
- The application is scheduled for recognition on the Board Agenda.
- The group’s representative and/or school ASB AP should attend the Board meeting to answer any questions about the applying group’s application.
- The Board recognizes the School Connected Organization.
- The following year, a review occurs to determine if the superintendent believes continued recognition is appropriate.
School Connected Organizations

- Must be “Recognized” by the Board of Trustees
- Must have completed and submitted all SCO application requirements:
  - Budget
  - TIN-Tax Identification Number
  - 501( C) 3 status if applicable/elected by SCO
  - Scheduled Fundraisers
- Name may not include the school’s name or Logo. (For 2018-2019 only, there is a one year transition period for organization to change their name and logo)
  - This includes on all formation and legal documents.
- Provide proof of Liability Insurance and / or directors insurance.
- May not have any District employees serving on their Board.
Purpose/Role of School-Connected Organizations

- Support Student activities.
- Raise funds for student activities and programs with approval of coach or director and ASB/Principal.
- Work in conjunction with Advisor/Coach/Teacher/ASB/Principal to support programs.
- Utilize parents and adult community members only to conduct fundraising activities. (No Child Labor)
- Follow District regulations regarding School Connected Organizations-BP/AR 1230.
All activities and fundraising events in which students participate will be conducted through the ASB. This includes all student performances for which gate receipts are received and all student conducted fundraisers.

- Ex: If students are performing, SCO is selling tickets, funds must be donated to ASB
- Ex: If students are performing, SCO is a concessionaire, these are SCO funds
- Ex: if students are performing, SCO is concessionaire, but if students run snacks or assist in selling, these are ASB funds

All Fundraising activities must be approved by the ASB Dean/Principal prior to the fundraising effort.

SCO funds and ASB funds cannot be “Comingled”. There must be a clear separation between ASB/Student fundraising and SCO fundraising.
Important Points of Emphasis

- No student or family can be required to join a SCO and no student or family can be required to participate in fundraising or pay any fee to a SCO.
- A SCO must not discriminate against students on the basis of their family’s membership in, contributions to, or fundraising for the parent organization, or the family’s time spent on parent organization/booster club activities.
- Activities by SCOs on District property require facilities use applications, insurance, and prior approval from the Principal/Designee.
Governance

- SCOs are separate from the district. They are not under the control of, nor are they the responsibility of, the coach, director, principal/school administrator, superintendent or governing board.

- Employees of the District cannot serve as members of the SCO’s Board or as officers; nor can they be included on any finance signatory cards.
Governance Continued:

- SCO funds are not controlled by the district or students, nor should SCOs be involved in administering student groups or supervising the activities of student organizations.
  - Distinction with individual parents supervising events.
  - If an SCO member has ongoing direct unsupervised contact with students then they must follow clearance protocols including the completion of the volunteer application, TB test, LiveScan Fingerprinting, and Mandated Reporter Training.

- However
  - The governing board is able to approve guidelines for these groups to follow related to their operation and finance.
  - All organizations’ fundraising activities must be approved in advance by the governing board/Principal/Designee.
  - The District retains the right to audit the organization at its expense as part of their review of the SCO.
  - The District reserves the right to revocation of any SCO with cause.
The Finances - Audit

- SCOs should audit their finances annually.

- The District has the express right to review and/or audit SCO’s financial statements, at the SCO’s expense, to ensure their financial integrity.

- The District may request that a Booster organization have an external audit by an independent agency or CPA at the SCO’s own expense.
The Finances - Tax ID

- “Booster/auxiliary clubs [SCOs] are not legal components of the school entity. Each booster auxiliary organization should have its own tax identification number (TIN); booster auxiliary organizations are not allowed to use the school entity’s tax identification number in any way.”

- SCOs are responsible for their own tax status, accounting and financial records, and must make their own arrangements for an audit if one is needed. The booster auxiliary organization is not audited as part of the district’s annual financial audit.

- If the SCO is claiming to be tax-exempt, the District or school site officials shall require them to provide a copy of the determination letter under internal revenue code section 501(c)(3) or certificate of nonprofit status.

- The SCO may not use the District’s TIN for donations.
Donations

- Donations must be processed in accordance with SUHSD Board Policies 3290 and 3290.1.

- SCOs exist to assist school and ASB programs. Such assistance may come in the form of donations of supplies, equipment and payment for student transportation to events.
When a SCO donates funds to the school, it can choose to state the specific purpose for which the funds are being donated.

SCOs can donate funds to ASB accounts, but once the money is in ASB accounts, it may not be used by SCO or transferred back to SCO.

Education Code section 41032 and District Board Policy 3920(a) provide that the District Board of Education may accept and approve any donations to a school or the District. Donations to school programs must be processed in accordance with SUHSD Board Policy and Administrative Regulations.
Handling Money:

Cash receipts and bank reconciliation procedures:
- Pre-numbered receipt books and supporting documentation.
- Preparation of deposit, cash count and fundraising forms.
- Bank deposits should be made in a timely manner.
- Someone other than the individual(s) responsible for depositing funds and writing checks should perform bank reconciliations monthly.

Cash disbursements procedures:
- Checks should require a minimum of two signatures.
- Preparation of duplicate forms such as purchase orders.
- All expenditures should be approved by the school connected organization board and the approval noted in the board meeting minutes.
Employees and SCOs

- SCOs **may not** make direct payments or make payments in the form of gift cards to any District employee for services performed for the parent organization/booster club.

- SCOs **may not** directly hire any District employees to perform services for the District or a District school site.

- Procedures for SCOs to pay for Non-CIF recognized activity support personnel (e.g. choreographer) generally via a consultant agreement are listed in the Booster Club/School Connected Organization Manual.
  - The entire contracted amount of pay for support personnel must be provided to the District, and the consultant contract must be approved by the Board **PRIOR to any work being completed by the support personnel**.

- **Reminder:** No Employee may serve as an officer/board member or have fiduciary responsibility for the organization.
Student Fees

- SCOs must follow student fee provisions in the Education Code.
- Ed Code 49010 prohibits requiring students to pay student fees as a condition for participation in an educational activity, including extracurricular activities—including participation in sports teams, bands, cheer squads, etc.
- Families and students MAY NOT:
  - Be forced to fundraise or donate as a condition of participation.
  - Be excluded from activities because of non-participation in fundraising activities.
  - Be mandated to purchase “spirit packs,” “practice gear” or any “mandatory” uniform items.
Facilities Improvements and SCOs

- The District is responsible for all facility improvements and maintenance throughout the District.
- All modifications, improvements, and construction of school facilities have very strict rules and regulations.
- As such, SCOs should never construct, modify or attempt improve school facilities.
Facilities Use

- SCOs may use District facilities for meetings or fundraising events by complying with the applicable facilities use process, including completing the Agreement and providing appropriate insurance information, as well as agreeing to any District fees for incurred costs.

- A Use of Facilities request form must be completed and pre-approved at the site level prior to the submission of a fundraising request.
Public Records Act Requests

- All SCOs may be required to provide requested documents to the District as part of any Public Records Act request.

- This may include AUDITS of the SCO as well as documents and accounting records produced by the SCO become part of the public record.

- This may include other communications with the District or related to their support of District students with other entities.
Title IX

- Title IX prohibits sex discrimination in education programs or activities that receive federal funds. Since all public schools and colleges and nearly all private colleges receive at least some federal funds, their sports programs are covered under Title IX.

- Title IX requires schools to:
  - Offer equal participation opportunities to their male and female students.
  - Treat their male and female athletes equally overall with respect to:
    - Equipment, supplies, participation and practice schedules, practice and competitive facilities, publicity, coaching and all other program aspects.
Title IX as Related to SCOs

- SCO activities can have Title IX implications at a school.
- Specifically, BP 1230 states: “A school-connected organization shall consult with the principal or designee to determine school needs and priorities and ensure that the actions of the school-connected organization do not create a site-based inequity.”
- All SCO fundraising, and support must be coordinated through the school site administration so that the actions of the SCO do not create a Title IX disparity. This includes donations, scholarships, awards, fundraising, meals, travel, and all other benefits provided by a booster organization to a particular team or group.
  - The District has an obligation to balance the impact of donations for Boys and Girls sports. This may mean that donations are shared between sports teams or that the District may reject donations where a reasonable offset can not be achieved by the District.
Publicity

- The SCO will need to create its own logo and name; the school and district names and logos are separate and should not be used. School-Connected organizations must have their own identity.
  - Exception for this year with signed acknowledgement.

- The SCO shall maintain their own social media forum and websites, as applicable, and those sites shall neither be linked to district sites nor shall the district be responsible for or approve their content.
A Use of Facilities request form must be completed and pre-approved at the site level prior to the submission of a fundraising request.

District students cannot participate in any SCO fundraising activity. If district students are involved in the activity, all funds generated from that activity by the organization must be deposited into the ASB trust account of that sport/club.

All SCO funds are collected and maintained by the SCO. No SCO funds shall be kept in ASB accounts.

The District or ASB tax identification number cannot be used for any purposes, specifically *SCO’s may not use District or ASB tax ID to grant a tax deduction to its funders.*

No coercion should be exercised in fundraising activities and no students or teacher is required to raise any particular minimum of money or sell any minimum number of tickets, etc. Under no circumstance should pressure be brought to bear on students through competition or by special recognition of sales.
The Do’s

• Obtain a tax identification number.
• Open a separate bank account for your SCO.
• Maintain, keep and file properly all financial records.
• Create a logo and name to be used.
• Communicate the SCO’s fundraising plans to the school site principal and his/her designee.
• Donate all funds or goods in accordance with District Board policy 3290/3290.1.
• Consult the Site Principal regarding purchasing items that require installation or involve school site or building improvements.
The Do’s

• Consult the site administration for approval prior to purchasing goods or services that require ongoing maintenance contracts.
• Elect a treasurer with a bookkeeping/accounting background or regularly consult with a certified public accountant.
• Look for a local accountant or other financial professional who will donate their time to ensure that proper accounting procedures are always followed.
• Annually renew SUHSD Board recognition for your SCO.
The Don’ts

• Conduct fundraiser activities that require students to participate.
• Commingle SCO funds with ASB funds.
• Represent parent organizations/booster club activities as those of the SUHSD or any of its schools.
• Use the SUHSD’s tax identification number.
• Elect district employees to the board or to serve in any financial capacity.
• Give athletic coaches money
Questions?