Booster Clubs
and
School Related Organizations
Guidelines

FOWARD

This manual is designed to assist Booster Club officers, School Support Organizations ("club(s) and/or organization(s)") and members by providing organizational and financial guidance. Only approved organizations, operating under these guidelines and Butler County Board of Education policies and procedures, shall be allowed to use the school's name in support of its programs. Facility use will be determined in accordance with District policies and procedures. Specific questions regarding the organization's activity should be addressed to the campus principal.

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BUTLER COUNTY BOARD OF EDUCATION

211 School Highlands Road ● Greenville, AL 36037

Acknowledgement of Guidelines
For Financial Operations of School Related Organizations

The following list, although not exhaustive, has been provided to serve as a guide for the financial operations of school related organizations (i.e. booster clubs). Failure to comply with the following guidelines may result in disciplinary actions by the board of education:

1. The organization has obtained an employer identification number from the IRS.
2. The organization provides a report of the annual audit of the organization to the school. Audit guidelines may be obtained from the Chief School Financial Officer.
3. The organization makes its financial records available to the school's auditors and authorized school employees upon request.
4. The organization provides required financial reports.
5. The organization provides proof of a fidelity bond for the treasurer.
6. The organization will not provide any payment or benefit to a school employee (or family member of a school employee) in violation of the State Ethics Law.
7. All money from an activity must be deposited into a school account if:
   a. An organization that has school employees associated with the activity supported by the booster organization, and that employee serves/holds a leadership position in the organization.
   b. An organization that has school employees lead fund-raising activities or maintains the accounting records for the organization.
   c. An organization or school that operates a training camp that includes students or uses school facilities.
   d. An organization or school that operates an exhibition or competition that includes students of the activity it supports.
8. Commissions and/or splits can be paid to organizations for their volunteer services at events, however all money from an activity must be deposited into a school account. In order for all money to be deposited into the organizations bank account, a written document/agreement between the district and organization must be established stating that the organizations pay the district a fee for facility use. The following are common activities affected by this provision:
   a. Operating a concession stand at a school sponsored event or event on school property.
   b. Collecting parking fees at a school event or event on school property.
9. Listed below are further examples of what types of activities are allowable or not allowable for school related organizations:
   a. Employees cannot accept direct payment from a booster organization. If the booster organization wants to pay an employee for their services, it must be paid to the central office to be paid through payroll.
   b. Employees (coaches) cannot be paid directly from summer camp fees. Coaches can receive money for their work; however it must be paid to the central office to be paid through payroll.
   c. Fund raising activities that involve an element of chance (i.e. raffle, drawing, or split-the-pot) are not allowable on school facilities nor can school employees be involved in any manner.
   d. School employees cannot be paid for working in concession areas.
   e. All gate receipts are school money and are to be deposited into a school account.
10. Alabama State Ethics laws apply to everyone and all personnel and organizations must be in compliance.

My signature is an acknowledgement that I have read and understand the provisions listed above pertaining to guidelines for the financial operations of school related organizations and agree to abide by these guidelines.

_____ _____

Signature *Date*

ORGANIZATION

ROLE OF THE ORGANIZATION

Booster clubs and school support organizations help promote, support, and improve the extra-curricular activities of the schools in the Butler County School System. Each principal is responsible for the relationship between the school and its Booster Clubs and other parent groups. Since the public perceives Booster Clubs and other parent groups as representing the school, it is necessary for them to follow these requirements regarding their relationship with the school. The school administration will meet no less than annually with Booster Clubs and parent groups to train and monitor their activity as it relates to the school. When offered, Boosters Clubs and parent groups will participate in the training.

Each organization must maintain bylaws that are jointly reviewed on an annual basis by the campus principal and the organization's officers. The rules of membership shall be clearly stated in the bylaws. Only active members in good standing shall be permitted to hold office or vote upon any matter of business of the organization. **The bylaws must address the organization's fiscal year, structure, and the method to be used to elect officers (district employees may not serve as an officer)**. The organization must be managed or operated by adults, rather than students, and will file its bylaws, Charter and/or Constitution with the Principal and Chief School Financial Officer. These will clearly identify the organization as a Parent Organization or Booster Club separate from School District Student Organizations and will provide details of the structure of the organization including:

- Officers and their duties
- Election of officers and term limits
- Purpose and goals
- Dues structure, if any
- Intended use of funds generated by the organization
- Distribution of remaining funds upon termination of the organization

All questions by Booster Club/School Support Organization members concerning policy or procedures are to be directed to the principal or their designee.

APPROVAL PROCESS

There is an approval process to establish a booster club and school support organization (see Appendix). The "Registration and Approval" form along with the "Officer/Bank Information" form must be completed and submitted to the Chief School Financial Officer no later than the first day of school. The "Registration and Approval" form should only be done once. Once an organization has approval, they will continue to operate until such time they elect to dissolve the organization. The "Officer/Bank Information" form must be submitted EVERY year. The "Registration and Approval" form must be approved by the Superintendent.

OFFICERS OF ORGANIZATION

At a minimum, the organization shall elect the following officers on an annual basis. District employees may not serve as an officer.

PRESIDENT

Typically, the president of an organization is the parent/guardian who has been active in the organization. The major duties include, but are not limited to, the following:

- Preside at all meetings of the organization;
- Regularly meet with the designated campus representative regarding the organization's
- activities;
- Resolve problems in the membership;
- Regularly meet with the treasurer of the organization to review the organization's financial
- position;
- Schedule annual audit of records or request an audit if the need should arise during the year;
- Perform any other specific duties as outlined in the bylaws of the organization.

VICE PRESIDENT

The vice-president acts as the president's representative in his/her absence. They must remain familiar with the organization. The major duties include, but are not limited to, the following:

- Preside at meetings in the absence or inability of the president to serve;
- Perform administrative functions delegated by the president;
- Perform other specific duties as outlined in the bylaws of the organization.

NOTE: Larger organizations may find it necessary to elect several vice presidents with responsibility over differing areas. Such positions shall be clearly defined in the bylaws of the organization.

SECRETARY

The secretary is responsible for keeping accurate records of the proceedings of the organization and reporting to the membership. The secretary must ensure the accuracy of the minutes of the meetings, and have a thorough knowledge of parliamentary law and the organization's bylaws. The major duties include, but are not limited to, the following:

- Report on any recommendations made by the executive board of the organization if such a governing board is defined by the bylaws;
- Maintain the records of the minutes, approved bylaws and any standing committee rules, current membership and committee listing;
- Record all business transacted at each meeting of the organization as well as meetings of any executive board in a prescribed format;
- Maintain records of attendance of each member;
- Conduct and report on all correspondence on behalf of the organization;
- Other specific duties as outlined in the bylaws of the organization.

TREASURER

The treasurer is the authorized custodian of the funds of the organization. The treasurer receives and disburses all monies indicated in the budget and prescribed in the local bylaws or as authorized by

action of the organization. All persons authorized to handle funds of the association should be covered by a fidelity bond in an amount based upon the organization's annual income and determined by the executive board. The major duties include, but are not limited to, the following:

- Serve as chairperson of the Budget and Finance Committee if prescribed within the bylaws of the organization;
- Issue a receipt for all monies received and deposit said amounts as they are collected;
- Present a current financial report to the executive committee and general membership within thirty days of the previous month end;
- Maintain an accurate and detailed account of all monies received and disbursed;
- Reconcile all bank statements monthly as received and resolve any discrepancies with the bank immediately;
- File annual IRS form 990 in a timely manner (this is done only if the organization is exempt under 501 (c)(3) status);
- Submit records to audit committee appointed by the organization upon request or at the end of the year;
- Other specific duties as outlined in the bylaws of the organization.

NOTES:
Due to the increasing requirements placed on charitable organizations by the Internal Revenue Service, it is strongly recommended that the treasurer have an accounting background.

ELECTION OF OFFICERS

The election of officers of the organization will occur annually within the timelines and manner prescribed by the booster club and school support organization bylaws. Officers may be elected in a variety of methods (simple majority, secret ballot) in accordance with the organization's bylaws.

The organization shall provide the name, address, email address and telephone number of the newly elected officers and the authorized signers of bank accounts (annually) to the campus principal or designee and to the Chief School Financial Officer. Any changes in positions shall be reported to the campus principal in a timely manner and Chief School Financial Officer. (See appendix for Booster Clubs & School Support Organizations Officer/Bank Information Form) This form is due by the first day of the school year.

STANDARDS FOR MEETING

Notice of all meetings of the organization should be published at the campus prior to the meeting date, except as provided by the organization's bylaws. The notice should clearly indicate the date and time of the meeting and the items to be discussed. School principal or designee should sit in on all meetings.

TRAINING REQUIREMENTS

Two members from each organization's executive board (preferably president and treasurer) are required to attend the district's annual booster clubs and school support organizations training that will

be held every summer. Training requirements should be implemented into the operations of the organization.

AUDIT COMMITTEE

At the end of the organization's fiscal year (established in bylaws), an audit of the organization's financial records should be conducted. The audit should be performed by someone who is independent from day-to-day financial activities. Ideally, this audit should be performed by a group of three individuals; however, if the membership size does not allow, the audit may be performed by two individuals. The primary objectives of the audit are to:

- Verify the accuracy of the treasurer's financial reports;
- Ensure that the club's cash balances are accurate;
- Determine that established procedures for handling organization funds have been followed;
- Ensure that expenditures have been appropriately received and occurred in a manner consistent with the organization's bylaws;
- Ensure that all revenues have been appropriately received and recorded;
- Submit a copy of the audited financial report to the campus principal or designee and Chief School Financial Officer.

The audit committee shall make a report to the general membership upon completion of the audit. Any discrepancies noted shall be brought to the attention of the president of the organization and a resolution reached prior to presentation. All officers of the organization shall make records available as requested by the committee. The audit should be completed no later than 90 days after the end of the organization's year (established in bylaws) and provided to the Chief School Financial Officer and Principal.

SUSPECTED FRAUD/IRREGULARITIES

Suspected violation of guidelines, fraud, or misappropriation of funds must be reported to the parent organization, campus principal or designee, and District administration.

LIABILITY INSURANCE PROTECTION

The District strongly encourages organizations to obtain adequate insurance protection for liability and financial fraudulence but does not require it. Organizations should have various safeguards set up to protect the officers, membership, and funds that are raised.

The District cannot provide insurance coverage for organizations.

- A ***General Liability Policy*** protects not only the organization but protects the individual member.
- ***An Accident Medical Policy*** provides additional coverage for out-of-pocket medical expenses to help deter lawsuits and to provide coverage where the General Liability Policy does not. This policy does not replace a liability policy but is a complement.
- The ***Bond or Commercial Crime Policy*** is set up to protect money, scrip, and securities in the event they are embezzled, stolen, or fraudulently altered.

- The ***Officer's Liability Policy*** is set up to protect the way the organization is managed and the decisions that are made by board members. These decisions include what type of fundraiser to have, where to hold the event or any other managerial decisions.
- A ***Property Policy*** provides protection for the personal property of the organization from such perils as theft or fire. One thing that most organizations don't realize is that the Property Policy can also protect fundraising merchandise.

Organizations with insurance must supply a copy of the policy to the District's Chief Financial Officer. **The organization must provide proof of a fidelity bond for the treasurer. This is REQUIRED!**

RULES FOR DISSOLUTION

The Principal has the authority to dissolve the relationship between the school and the organization at any time. All remaining funds in the activity should be spent to support the particular program the organization was established to support.

The organization may dissolve an organization by adopting a resolution (or the executive board if the organization is inactive) stating that the question of such a dissolution be submitted to a vote at a special meeting of the members having voting rights. At least 30 days prior to the meeting, written or printed notice shall be given to each member entitled to vote stating that the purpose of such meeting is to consider the advisability of dissolving the organization. The organization must determine the distribution and usage of treasury monies and other assets before dissolution. In order to comply with Internal Revenue Service guidelines, care should be taken to ensure that excess funds are distributed within the framework of the organization's original purpose – i.e. band booster funds would remain with the musical program at that particular campus. Any other distribution of funds could void the organization's tax-exempt status and force it into a fully taxable situation.

FEDERAL AND STATE REPORTING

This section provides general tax information. It is each organization's responsibility to seek competent professional tax advice for its own tax reporting and filing requirements. The information provided in this document is not intended to be specific or all inclusive. It is not a requirement to be tax exempt under 501 (c)(3) status. This is for informational purposes only if you so choose to be exempt.

APPLICATION FOR FEDERAL TAX-EXEMPT STATUS 501(C)(3)

- General instructions on the rules and procedures for federal tax exemption may be found in Internal Revenue Service (IRS) Publication 557 - How to Apply for Recognition of Exemption for an Organization.
- Booster clubs and school support organizations must apply for exemption from federal taxes on Form 1023, Application for Recognition of Exemption under Section 501(c)(3).
- The application must be accompanied by Form 8718, User Fee for Exempt Organization Determination Letter Request, which provides a user fee to be paid to the IRS, depending on the anticipated annual gross receipts. Upon acceptance of the organization's exempt status by the IRS, a determination letter will be received as evidence of approval. The letter should be kept in a safe, permanent place as it will be used time and again to prove the organization's exempt status.
- Each organization must submit to the central office a copy of the determination letter issued by the Internal Revenue Service with regard to the organization's exempt status with the GASB 39 information form.

NOTE: Instructions for completing these forms and copies of these forms can be found on the IRS website at www.irs.gov under "Forms and Publications". The IRS main number is 1-800-829-1040, and the Tax-Exempt section is 1-877-829-5500.

REQUIRED: APPLICATION FOR EMPLOYER IDENTIFICATION NUMBER (EIN)

- The IRS requires all organizations that conduct business to have their own Employer Identification Number.
- The EIN is obtained with the SS-4 Form from the IRS. (A member's social security number should not be used as the organization's EIN for banking or other business purposes. Organizations are not allowed to use the District's EIN.) The EIN will be the number used to establish a bank account for the organization.
- When a number is assigned to the organization, ensure that the paperwork is maintained in a permanent file from year to year.

NOTE: An organization can now apply for an EIN number online on the IRS website at www.irs.gov under "Forms and Publications" insert "employer identification number" and continue to complete the application process online.

ANNUAL FILING REQUIREMENTS

Every organization exempt from federal income tax under section 501(c) is required to file annually Form 990, Return of Organization Exempt from Income Tax.

PUBLIC DISCLOSURE

A nonprofit organization must provide copies, on request, of its original application for tax exemption, including any supporting documents filed by the organization in support of its application, plus any letter document issued by the IRS in connection with the application. In addition, the organization must provide copies of its annual IRS information returns for the past three years, including all schedules and attachments. When a request for information is made in person, the booster organization and school support organization is required to furnish the requested information immediately under IRS guidelines.

Organizations are exempt from the above requirements if they have made the documents widely available, such as posting them on a web site, or if it can be demonstrated that the requests are part of a harassment campaign. If the organization elects to post the information on a web site, specific IRS criteria must be followed which produces an exact reproduction of the information; HTML format is not acceptable. It is acceptable to post financial information in a database of other charitable organizations such as GuideStar which can be located at www.guidestar.org.

RECORD KEEPING

Organizations should check with State and Federal guidelines regarding length of time records need to be kept.

ACCOUNTING FOR TRANSACTIONS

METHOD OF ACCOUNTING

There are a wide variety of computerized accounting packages available to assist the organization in accurate financial reporting; manual record keeping is not the recommended method of reporting. Rather, each organization should adopt an accounting package or computerized accounting method to be used for several fiscal years. Establishing records in a spreadsheet format is perfectly acceptable, although somewhat cumbersome. It is preferable to adopt an accounting package for long-term use. The packages chosen should be reviewed on a biannual basis for effectiveness and accuracy of financial reporting. Packages should also be evaluated based upon their ease of use and overall cost, both financial and training, to the organization.

At a minimum, the membership should be provided with a financial statement and bank reconciliation at each meeting. The financial statement should detail the budget to actual expenditures and receipts. Cash receipts and disbursement reports should be available for review when needed or at the annual audit.

CASH RECEIPT PROCEDURES

All cash collections received by the organizations for fees, dues, fundraising, etc. must be deposited upon receipt. All funds must be supported by some type of record documenting the source and amount of funds (tabulation of monies collected form; cash receipt form, ticket sales record, etc.). Such documentation shall be readily available for audit purposes.

All money must be deposited prior to holidays and weekends.

Bank deposits should be prepared as follows to ensure the integrity of the financial reporting:

1) Separate all currency and coins by denomination and carefully count and record it in the appropriate section of the bank deposit form.

2) It is recommended to list all checks individually on the deposit slip but a tape may be run of any checks included in the deposit rather than indicating the checks individually on the deposit slip form. A copy of the tape should be retained with your copy of the deposit records.

3) Total the deposit slip.

4) Tally the pre-numbered cash receipts and make certain that this total matches the deposit total.

5) Attach the cash receipt verification with a copy of the deposit slip and file in date order.

6) For large deposits, have another individual independently count the currency and coins, and verify that the amounts have been correctly recorded on the deposit slip.

7) Both individuals should initial the deposit slip next to the currency amount on the deposit slip.

8) Seal the deposit in a deposit bag in the presence of the second individual. This is called dual control and places the organization in a better position to challenge any claim the bank may make that the currency received was not correct.

District employees should not count, collect, or secure an organization's funds. District employees may not have access to an organization's lock box.

BANK ACCOUNT

To open a bank account, the organization must first obtain an Employer Identification Number (EIN) from the IRS. (See Federal and State Reporting section - Application for EIN.)

- The school's name should not be solely used on the organization's checks or on its literature.
- The use of the school name only might imply that the school or the District is responsible for any obligations entered into by the organization. The name must include the organization's name on the bank account. Example: John Doe High School Band Booster Club.
- All payments must be made by check with two signatures.
- Individuals authorized to sign on the bank account cannot be related by blood or marriage or reside in the same household.
- All funds received should be receipted and deposited within 24 hours of receipt. Commingling of the organization funds and school activity funds is prohibited.
- District employees may not accept loans of funds from organizations.
- The Treasurer should reconcile the bank statement monthly and prepare a monthly financial report to the Board of Directors or Executive Board or Officers.
- ATM/debit cards are prohibited.

MAILING ADDRESS

Establish the organization's mailing address. (An official mailing address is required on several state and federal forms when creating the identity as a support organization; therefore, it is better to get this step done first.) The IRS recommends that each organization obtain a post office box (PO Box) to use as the official mailing address of the support organization. The address and box keys can be given easily to the new officers at the beginning of each new year.

Please understand the importance of maintaining a consistent mailing address for the organization.

- It will save time since the organization will not have to update the address each year to the District, the IRS, and bank.
- Support organizations receive several important documents from these agencies throughout the year, and if the address changes frequently, some of these documents could be lost or misplaced. If the related school's address is used as the support organization's official address, the organization should be aware that it may not receive mail in a timely manner when the school is closed (i.e., summer vacation and some holidays).

- The IRS mails forms and other correspondence to support organizations periodically. If these forms are not completed and returned to the IRS within a specific time period, an organization could lose their tax-exempt status, and possibly face fines and penalties.

The District does not recommend using a home address since organization officers change frequently.

DISBURSEMENT OF FUNDS

All requests for disbursement must be made from established budget line items. If a request exceeds the budget or is for an item not previously included in the budget process, a vote of the membership must be taken prior to expenditure. **Direct payments and gifts to employees and alcoholic purchases are not permitted with organization funds**.

The appropriate supporting documentation (invoices, receipts) should then be attached to the disbursement form and filed in check number order. At no time should a check be issued without the appropriate supporting documentation.

All payments must be made by check with two signatures.

BANK RECONCILIATION

Upon receipt of the monthly bank statement, the balance indicated on the statement shall be reconciled monthly to the bank account balance in the general ledger as of the last day of the month. Items needed for reconciliation:

- Bank reconciliation form .
- Prior month's bank reconciliation
- Bank statement
- Check Register and/or Cash Disbursements Journal
- Cash Receipts Journal
- General Ledger

If at all possible, a computerized reconciliation program should be used in conjunction with the organization's financial package.

1099 REQUIREMENTS

Internal Revenue Service guidelines require that all payments for **services** in excess of $600.00 made to an individual by an organization be reported on a form 1099 on an annual basis. The organization should secure an IRS form W-9 from the provider at the time of service to ensure that the organization has an accurate record of the tax payer identification number. The organization must then issue a form 1099 to all qualifying vendors for services performed in the calendar year by January 31st. The following guidelines can be used to determine if reporting is required:

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- **Risk of profit or loss** - Independent contractors realize a profit or sustain a loss based on their success in performing the work or service.
- **Continuing relationship** - The relationship between an independent contractor and employer ends when the job is done.
- **Compliance with instructions** - Independent contractors cannot be told when, where, or how to do the job.
- **Training** - Independent contractors do not go through any type of instructional training period with a more experienced employee to learn how to do the job. Independent contractors specialize in the field in which they have been employed and do not require training.
- **Personal service required** - The right of an independent contractor to substitute another's services without the employer's knowledge shows that one particular individual's personal services are not being required by the employer.
- **Integration into the business** - The success or continuation of the business is not dependent on the independent contractor's performance of the service.
- **Control over the hiring, supervising, and paying of assistants** - Independent contractors maintain control of their assistants. The employer contacts the independent contractor if there is a problem, and the employer pays the independent contractor for the work done. The independent contractor then pays the assistants directly.
- **Set hours of work** - An independent contractor sets working hours.
- A full-time work requirement - An independent contractor has the availability to work for more than one client.
- **Working for more than one firm** - An independent contractor has an established business in which they work for more than one firm.
- **Worker's availability to the general public** - An independent contractor makes services available to the public on a regular and consistent basis.
- **Working on the employer's premises** - An independent contractor works off-premises unless the nature of the service to be performed requires attendance at the employer's work site.
- **Required work order or sequence** - An independent contractor does not need to be told in what order or how to do a job as he/she is considered an expert in the field.
- **Required reports** - An independent contractor is not required to submit oral or written reports.
- **Payment by the hour, week, or month** - An independent contractor is paid in a lump sum fee basis when the job is done. An invoice must be generated to substantiate the payment.
- **Payment of business or travel expense** - An independent contractor is responsible for his/her own business or travel expense. If paid by an employer, the employer must include the expense amount in the independent contractor's 1099 (unless you can verify an accountable plan).
- **Furnishing of tools and materials** - An independent contractor has the necessary tools and materials to do the job.
- **Investment in facilities** - If the independent contractor maintains an office on the employer's premises, he/she must pay a rent or lease payment for the office space as well as the overhead.
- **Employers discharge rights** - An independent contractor cannot be terminated as long as he/she is fulfilling the contract.
- **Worker's termination rights** - An independent contractor may be held financially responsible for any loss the employer may suffer due to an incomplete, inaccurate or unsatisfactorily completed contract.

The Internal Revenue Service web site, www.irs.ustreas.gov, may be accessed for forms and appropriate 1099 reporting requirements.

GASB 39 REQUIREMENTS

The Governmental Accounting Standards Board (GASB) Statement #39 requires school districts to consider financial activities of all parent teacher organizations, booster clubs, foundations and other fundraising entities for inclusion in the district's financial statements.

In order to determine whether financial information for these groups must be included, it is necessary to gather data regarding the financial activities of these organizations. Butler County Board of Education will use a form labeled "End of Year Financial Report." This form is included in the appendix.

The "End of Year Financial Report" form is needed no later than **October 30**, annually. The information provided should include financial records year ending September 30. Keep in mind that external auditors who prepare the District's audit may require additional information.

FUNDRAISING

All organizations shall complete a “fundraising application” for each type of planned, scheduled or anticipated event, activity, or product sale and receive the approval of the campus principal or designee if it is to be held on school site. This application details the vendor (if any), product to be sold or service to be rendered (see Appendix). All funds raised by the Organization will be used to achieve the stated purposes and goals of the organization. No Administrative fees or Stipends to Officers or others will be permitted.

A fundraising activity is considered to be any activity that is intended to generate a profit, through commercial solicitation of sale of products or services to the general public at large. Activities that are conducted as “community building” or “parent involvement” that also may generate a profit are NOT considered fundraising activities, e.g., school bake sale, walk-a-thons, fall festivals, in-school ballgames, concession sales, dances, etc.

- Fundraising activities considered commercial solicitation as defined above must have the approval of the Principal and Superintendent.
- Activities considered “community building” or “parent involvement” as defined above must have the approval of the Principal only.
- **For safety reasons, No student shall participate in door-to-door sales for any kind of activity.**

INDIVIDUAL ACCOUNTS

Tax exempt organizations, according to the IRS, must benefit a group as a whole instead of benefiting individual members of a group. Therefore, individual accounts that credit individuals for their fundraising efforts may not be used. All members of the organization must be treated equally and receive the same opportunity to benefit from the fundraising activities.

FUNDRAISING PARTICIPATION

According to the IRS, tax exempt organizations may not require participation in fundraisers. Benefits given by an organization cannot be distributed based on participation in a fundraiser or based on revenues individually generated in a fundraiser. Therefore, a person cannot be denied the opportunity to receive a benefit due to lack of participation in a fundraiser or because a specified amount of revenue was not raised.

An organization may establish written criteria for giving certain benefits to an individual with a financial hardship. If a student meets the written criteria established prior to a financial hardship situation arising, the student may then receive a benefit that others do not receive. Such a benefit is an approved exception, by the IRS, to having all members receive an equal opportunity to benefit from fundraising activities.

All organization fundraising efforts must be within federal, state and District guidelines and must be for the purpose of supporting the school program or group activity for which the organization was formed.

RAFFLES

Fundraising activities that involve an element of chance (i.e. raffle, drawing, or split-the-pot) are not allowable on school facilities nor can school employees be involved in any manner.

DONATIONS

EQUIPMENT OR MONEY DONATIONS

Cash should never be given for discretionary spending. There are times when the best decision is to give funds to the school for a designated purpose. Oftentimes, schools can purchase items at a significant discount where, if the organization writes the check, they will have to pay full retail price. Other times, the organization may decide to fund a portion of a purchase the school is making.

When the best fiscal decision is to have the school make the purchase, there are certain guidelines that must be followed:

- The membership approves the gift to be made and its purpose.
- Funds are only given for a specific, designated purpose agreed to, in writing, between the organization's president and the appropriate school official.
- The written agreement specifically states the nature of the item to be purchased, the manner in which it is to be used, the timeframe within which it is to be procured, and the agreements as to who is responsible for installation (if applicable), maintenance, and insurance, and to provide the organization with a copy of the invoice.

TITLE IX

Title IX is a federal law enacted in 1972 which protects individuals in education programs or activities from discrimination based on sex. It states that, "No person in the United States shall on the basis of sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any educational program or activity receiving federal financial assistance."

Title IX, which is promulgated by the U.S. Department of Education, applies to all aspects of education and related programs, not just athletics. It requires that equal opportunities be provided for members of both sexes. It does not require that each team receive exactly the same services and supplies, but rather that the male and female programs, collectively, receive comparable levels of service, facilities, supplies, etc.

Since support organizations and activities are included in the analysis of the District's compliance with Title IX, support organizations should have an awareness of the law and the District's requirement for compliance. Inquires/complaints concerning the application of Title IX and its implementing regulations may be referred to the school's athletic director, Principal, or the Superintendent.

TOOLS FOR SUCCESS

The following guidelines apply to all organizations. If a question should arise which cannot be resolved at the campus level, the Superintendent or Chief School Financial Officer should be contacted for clarification.

ORGANIZATIONS SHOULD:

- Hold all meetings publicly and publish notice in advance of meeting, according to the organization's bylaws.
- Be voluntary and provide unified support for student success at the school.
- Encourage involvement by all parents of students participating in the support activity.
- Use school facilities only with prior approval of the principal or designee.
- Obtain approval of the principal or designee for all fundraising activities held on school site.
- Have a campus administrator or designee present at all organization meetings.
- Submit a copy of current bylaws and operating procedures to the principal or designee and Chief School Financial Officer.
- Submit the name, address, email address, and phone number of all current officers and the authorized signers of bank account to the principal or designee and Chief School Financial Officer.
- Provide adequate insurance coverage for its organization.
- Pay debts incurred by the organization.
- Comply with Board policies when donating money or gifts to the District.
- Comply with District policies, and Federal and State tax laws.
- Obtain Federal tax-exempt status, if so desired.
- Obtain an Employer Identification Number.
- Submit IRS Determination Letter and audit information annually to the Chief School Financial Officer no later than 90 days after the end of the year (established in bylaws).
- The End of Year Financial report should be completed and turned in by October 30th.
- Follow the same standards of conduct as district employees when chaperoning, sponsoring, or attending student activities, including rules in the campus handbook.

ORGANIZATIONS SHOULD NOT:

- Have authority in directing or influencing District employees in the administration of duties.
- Be involved in decision or policy making activities for a student group.
- Give a sponsor or coach a gift of cash.
- Give anything (including awards) to students without prior approval from the school administration. (Faculty sponsors wish-lists should have received prior approval from school administration before submission to an organization.)
- Use the District's tax identification number as the organization's identification number.

TOP WAYS TO PROTECT YOUR ORGANIZATION AGAINST EMBEZZLEMENT

1. Money should never be kept at a treasurer's home.

2. Two people should always count the money, and both should sign the receipt verifying the amount.

3. Two signatures should be required on all checks.

4. Have a member who does not have check signing authority review the bank statement monthly before giving it to the treasurer. This person is looking for red flags including: checks showing up in non-sequential order, checks made out to cash, cash withdrawals, checks written out to non-approved vendors, checks written for non-approved expenses, and checks written out to individuals.

5. Never sign a blank check or a check made out to "cash."

6. Money should be deposited into the organization's bank account daily, even if a project is ongoing.

7. All bills must be paid by check, never cash.

8. Conduct an annual audit of the books.

9. Make sure that you have a Bond Policy and make sure to follow the requirements to guarantee coverage.

APPENDIX

Butler County Board of Education
Booster Club & School Related Organizations
Registration & Approval Form

To: _____ Location:_____
(Principal or Administrator Name) (School or Department Name)

Name of Organization: _____

Purpose of Organization: _____

IRS Employer Identification #: _____

Faculty Sponsor for Club: _____

*Fidelity bond for treasurer is attached: YES _____ NO _____

I certify that the _____ will adhere to the following requirements:

- I have read the Booster Clubs and School Related Organizations Guidelines thoroughly and agree to abide by the rules and guidelines it contains.
- I understand that noncompliance with any District policy or criteria may result in the disbanding of the support organization by the Principal or Superintendent.
- An annual audit will be submitted to the Chief School Financial Officer no later than 90 days after the completion of the year (year is established in bylaws). Audit teams can be composed organization members excluding officers.
- Financial records will be made available to the school's auditors and the school principal upon request.
- Proof of fidelity bond for the treasurer will be provided. *Recommended amount for the fidelity bond is the largest balance anticipated during the current fiscal year.
- No payment or benefit will be provided to any school employee in violation of the State Ethics Law. The law can be viewed at www.ethics.alalinc.net.
- No purchases will be made in violation of Title IX.

_____ _____
Parent Organization/Club President Date

_____ _____
Address Phone Number

For District Use Only

Received by: _____ **Date**: _____/_____/_____

☐ **APPROVAL** of Support Organization: I, _____
(Principal or Administrator Name)

_____ at _____
(Position) (School or Department Name)

authorize _____ to conduct student and organizational
(Support Organization Name)

related activities for the benefit of _____.
(Student Group/Campus)

This registration approval is effective for the school year beginning _____ and
(School Year)

will continue until such time as the Organization no longer exists.

_____ _____
Principal or Administrator Signature Date Superintendent Signature Date

☐ **DISAPPROVAL** of Support Organization: I, _____
(Principal or Administrator Name)

_____ at _____
(Position) (School or Department Name)

do not authorize _____ to become a support organization.
(Support Organization Name)

- Please make copies of BOTH SIDES of this form for:
  - The Sponsor
  - The Principal or Administrator
  - Chief School Financial Officer

Booster Club & School Related Organization
Officer/Bank Information

Submit officer information to your supporting campus/department immediately following your organization's election. Information should be submitted even if officers have not changed from the previous year. Any changes that occur during the year prior to the next election should be reported utilizing this form. A copy of this form should also be maintained by the organization.

School Year: _____ Campus/Department supported: _____

Name of Organization: _____

Name of Bank: _____ Bank Account # _____

Authorized Check Signers: (two signatures required)

_____ _____

President

_____
Name (First and Last Name)

_____
Street Address or PO Box, City, State and Zip Code

_____
Phone Number Email Address

Vice President

_____
Name (First and Last Name)

_____
Street Address or PO Box, City, State and Zip Code

_____
Phone Number Email Address

Treasurer

_____
Name (First and Last Name)

_____
Street Address or PO Box, City, State and Zip Code

_____
Phone Number Email Address

Secretary

_____
Name (First and Last Name)

_____
Street Address or PO Box, City, State and Zip Code

_____
Phone Number Email Address

Butler County Board of Education
Booster Club & School Related Organizations
Fundraising Application

Name of Organization: _____

Campus supported: _____

Type of event, activity, product sale or service: _____

_____

Date beginning: _____ Date ending: _____

Location of event, activity, product sale or service: _____

Specific purpose(s) for which the net proceeds are to be used: _____

_____

_____

Vendor (if applicable): _____

Vendor contact name: _____ Phone: _____

Event Coordinator: _____ Phone: _____

I request permission to conduct fundraising activity. I will be responsible for the accountability of all monies collected and I will follow the organization's bylaws and BCBOEs guidelines.

_____ _____
Coordinator's Signature Date

_____ _____
Principal's Signature Date

_____ _____
Superintendent's Signature Date
(only required if commercial solicitation – see pg.17 of guidelines)

End of Year Financial Report
Board Sanctioned School Organizations
FY _____

Organization's Name:_____ Date:_____

Employer Identification Number (EIN) _____

Executive Committee:

President_____
Vice-President_____
Secretary_____
Treasurer_____

Organization Finances:

Fund Balance as of October1, 20___ _$_____

Total Revenues 10/01/20___ through 09/30/20___ _$_____

Total Expenses 10/01/20___ through 09/30/20___ _$_____

Fund Balance as of September 30, 20___ _$_____

Name of Bank:_____

Account #_____

List all expenditures between October 1, 20___ and September 30, 20___ which were in excess of $500.00. (Attach additional sheets if needed)

Expenditure ($$)	Purpose:	Vendor Name:
$_____	_____	_____
$_____	_____	_____
$_____	_____	_____
$_____	_____	_____
$_____	_____	_____
$_____	_____	_____
$_____	_____	_____
$_____	_____	_____

Organization's Name:_____

Attach copy of treasurer's fidelity bond

Attach copy of current By-Laws

This organization is currently (choose one)

☐ Continuing to operate under its' own EIN, has a bonded treasurer, and is operating under the guidelines provided by the State of Alabama Department of Education
☐ Incorporated into the financial records of _____ School (after ------)
☐ Not in existence (give details) _____

_____
_____
_____
_____

President's Signature_____Principal's Signature_____

THIS COMPLETED FORM AND ALL REQUESTED INFORMATION AND DOCUMENTS MUST RETURNED TO BUTLER COUNTY BOARD OF EDUCATION CENTRAL OFFICE NO LATER THAN OCTOBER 30TH EVERY YEAR.

CHECKLIST:

1. Acknowledgement of Guidelines – to be SIGNED and turned in YEARLY by 1st day of school to CSFO and Principal
2. Registration & Approval Form – to be SIGNED and turned in ONCE by the 1st day of school to the CSFO and Principal at the creation of organization
3. Officer/Bank Information Form – to be completed and turned in YEARLY by 1st day of school to CSFO and Principal
4. Fidelity Bond – Must provide proof of bond YEARLY to CSFO and Principal
5. Bylaws – to be provided to CSFO and Principal at the creation of organization
6. Annual audit – to be completed YEARLY no later than 90 days after completion of year (to be established in bylaws) Turn in to CSFO and Principal
7. End Of Year Financial Report – to be completed YEARLY and turned in by October 30th to CSFO and Principal