

South San Antonio Independent School District
Booster Club, PTA, PTO Manual & Guidelines



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Welcome and Note to Parents

Dear Booster and Parent Club Officers and Members,

On behalf of South San Antonio Independent School District, I want to express my appreciation for your dedicated service in support of our students and schools. Our partnership with PTOs and booster clubs is an important part of our efforts for the students to achieve excellence in curriculum, and co-curricular activities.

The following guidelines will assist you in complying with district policies and guidelines, University Interscholastic League (UIL) guidelines and state and federal requirements governing PTOs and booster clubs.

Through parent support, our students are afforded many opportunities to develop and showcase their talents in the context of quality programs. The district thanks you for your ongoing support of students and schools in South San Antonio Independent School District.

We hope that you find these guidelines useful. If you have any questions, please feel free to reach out to the site Principal of your school for more information and/or training opportunities.

This manual contains several links to supporting websites and documents. To access all resources, enter the following link in your browser:

Sincerely,

Tony Kingman
Chief Financial Officer
South San Antonio Independent School District

What is a Booster Club?

Booster clubs and other parent organizations including Parent Teacher Associations (PTA's) and/or Parent Teacher Organizations (PTO's) (collectively referred to as "booster clubs"), provide financial support and assistance to help achieve the common goals of the booster club and school programs.

Booster clubs have many purposes including, but not limited to:

- purchasing supplies for the school
- supporting extracurricular programs
- facilitating field trips
- supporting educational programs

Booster clubs are not legal components of the school district. They are their own nonprofit school-connected organization. Booster clubs are responsible for their own formation, governance, accounting, tax returns, and insurance liabilities. The booster club must maintain a separate legal address from the school and must not use the school's address for correspondence.

Booster clubs are not to be confused with Student Activity /Club organizations. The main difference is that student activity clubs are comprised of and are governed by students. The student activity club treasurer/bookkeeper, club sponsors and students must follow the procedures set by the school district. Booster clubs should serve as supplementary support to the school programs, with all fundraising activities and operations being provided by parents and other adult community members.

At their discretion, employees may volunteer to perform activities for school-connected organizations during nonworking hours only.

Alternatives to Forming a Booster Club

Establishing and maintaining a Booster Club can be complicated and require significant volunteer time and effort. If you are only looking to perform a single fundraiser or only intend to operate for a short period, it may not be worthwhile to go through the organizational process of starting a new non-profit organization.

There are alternatives to starting a new booster club. You may want to consider some of the following options:

- Many schools already have an existing PTA/PTO organization in which you can volunteer.
- You may want to collaborate with an existing PTA/PTO organization to perform fundraising activities for your desired purpose and have the PTA/PTO donate the funds to the school.
- You may want to volunteer for the school to help fundraise at school-sponsored fundraising events under the direction of the principal.
- If there is an existing Student activity club that is run by students, you may be able to volunteer to help the student activity club with their fundraising activities, working with the Club sponsor or Coach.
- If your main intent is to provide a monetary donation, the school site is equipped to accept donations from outside parties. You may direct the donation for a specific purpose; this is called a restricted donation. All restricted donations are subject to review and acceptance by the Superintendent and Board of Trustees. If the donation is specified for a facilities or technology improvement, the district will need to review the donation in order to ensure that the item will integrate with existing technology and/or that the facility upgrade can be completed as per the state of Texas applicable laws, regulations, educational, and administrative code.

Part I - Formation of the Booster Club

Step 1 - Preliminary Approval from Site Administration

The very first step in forming a booster club includes reaching out to the school site Principal to express your desire to form a school-connected organization and to provide some preliminary information as to the purpose of the club. There may be an existing PTA or Booster Club that is addressing a similar purpose. If that is the case, it is much easier to collaborate with an existing organization than it is to create and maintain a new organization.

The campus Principal is the Superintendent's designee to approve school-connected organizations. Before going through the legal process of forming a new organization, it is highly recommended to meet with the school Principal for preliminary approval.

Step 2 – File Articles of Incorporation

Articles of Incorporation are required to be filed with the State of Texas. Instructions and fillable PDF Articles of incorporation can be found on the Texas Secretary of State website at: https://www.sos.state.tx.us/corp/forms_option.shtml Select the option for “Business and Nonprofit forms” Certificate of Formation for a Nonprofit Corporation – Nonprofit Public Benefit” which is Form #202. The form is also included in this handbook in the Exhibits.

Follow the instructions and file the Articles of Incorporation accordingly.

Step 3 – Draft and Adopt Bylaws

The parent group will need to meet, agree, draft, and vote to adopt Bylaws for the organization. Bylaws are necessary as they determine how the entity runs on a daily basis. The Bylaws also explain the responsibility of the entity's board, officers and committee heads. A sample bylaws document link is available on the SSAISD website at:

<https://www.southsanisd.net/Page/10934>

Minimally, the Bylaws should include 10 elements:

1. Official name and purpose of the organization
 - a. Executive Board or Officers (President, Vice Pres, Secretary/Clerk, Treasurer)
 - b. Positions and duties of each position defined.
 - c. Term limits of officers
2. Duties and powers of Executive Board and Officers
3. Membership composition and any desired committees
4. The composition and membership of any desired committees (i.e. audit committee)
5. Elections and qualification for office

6. Finances
 - a. Who shall authorize financial activities?
 - b. How and when shall audits be conducted?
 - c. Other information regarding controls over finances.
7. Meeting schedule
 - a. Time, manner, frequency
 - b. What constitutes a quorum?
 - c. Who shall conduct meetings?
8. Method of any amendments to the By-Laws
 - a. By whom
 - b. Advance notification of change
9. Termination or Dissolution

Step 4 – Apply for a Tax Identification Number and Tax-Exempt Status

Many booster clubs wish to obtain tax-exempt status. The term “tax exempt” generally refers to an organization that is exempt from Federal taxes under section 501(c)(3) of the Internal Revenue Code. In order for a booster to provide receipts to donors as a “charitable tax-deductible donation”, the IRS and the State of Texas as a 501(c) (3) tax-exempt organization must officially approve the organization. State and Federal forms must be completed at each of the following websites:

Tax Identification Number

Form 1 SS-4, "Application for Employer Identification Number"

Instructions and Fill-in Form: <https://www.irs.gov/pub/irs-pdf/fss4.pdf>

Federal Tax-Exempt and Non-Profit Status

IRS Publication 557, "Tax-Exempt Status for Your Organization"

<https://www.irs.gov/pub/irs-pdf/p557.pdf>

Package 1023, "Application for Recognition of Exemption under Section 501 (c)(3) of the Internal Revenue Code" Includes form 1023, instructions for form 1023, and form 872-C:

<https://www.irs.gov/charities-non-profits/form-1023-contents-of-package-1023>

State Tax Exempt and Non-Profit Status

Comptroller of Texas Forms and Instructions Form AP-205, "Texas Application for Exemption – Charitable Organizations"

Registration and periodic reporting is required. See the website for more details:

<https://www.sos.state.tx.us/corp/forms/boc/boc-np-2010.pdf>

Step 5 – Open a Bank Account

The booster club Board will need to take action in a regular booster club's board meeting to open a bank account. The motion/action should indicate which banking organization, who the authorized signers will be, and require a minimum of two to three authorized signers on the account; with each check requiring two of the three signatures, (the third signer can be helpful if one of the two main signers is not available). The action should also indicate if the Board authorizes anyone to be issued a debit card, or prohibits it. In general, debit cards and credit cards are high-risk for fraudulent transactions and embezzlement and should be avoided. Once this action is documented in the board minutes, contact the banking organization to find out their requirements to open a bank account. Many banks will require copies of the articles of incorporation, bylaws, EIN, proof of 501(c)3 status, and minutes. Each banking entity is different and may have different requirements. Complete the banking requirements and obtain checks for the checking account so that operations may commence.

Step 6 – Obtain Liability and Property Insurance

The booster club's board will need to take action to obtain liability and property insurance. Booster clubs are independent from the district and are required to maintain their own insurance policies.

All booster clubs are required to purchase commercial general liability insurance protection for booster club events on and off campus that will protect against claims for bodily injuries or property damage. When using school facilities, the club must submit a certificate of insurance that includes liability and property damage and names South San Antonio Independent School District as additionally insured.

Liability insurance does not apply to automobile accidents or damage to the organization's property or the property of its members. While not required, there are other types of insurance coverage that may be beneficial to your organization including *Officers Liability Insurance* and *Fidelity Insurance*. It is recommended that booster clubs contact an insurance professional for information about obtaining adequate coverage for their specific needs.

Step 7 - Application for School and District Approval

Once the organization is officially formed, complete the South San Antonio Independent School District application and instructions included in the exhibits of this handbook. Submit the packet to the school site Principal. If approved, authorization is valid for a period of one fiscal year (September 1 – August 30). The application must be updated and re-submitted to the school each school year for re-authorization. The District retains the right to revoke authorization for any reason. Once you have received final approval from the District, you may commence fundraising and other operational activities.

Part II – Operating a Booster Club

Fundraising Activities

In accordance with the UIL guideline, all programs, fundraisers, or other activities sponsored by booster and parent organizations must be authorized and conducted according to local board policy, laws, and school rules. The following are guidelines for booster/parent organizations fundraising activities within the district:

1. Use of the district's/schools' name in fundraising activities should be approved by the school principal/designee and comply with district policies and state law.
2. Students shall not be involved in fundraising activities except as volunteers for the booster organization and in accordance with District's Board Policy and Administrative regulation GE, GKA, GKB, GKC, and GKG, which limits solicitation of pupils on campus during the instructional day.
3. All booster funds are collected and maintained by the organization. The district's tax identification number cannot be used. No booster funds shall be kept in student activity/club or district accounts.

Raffles, Opportunity Drawings or Games of Chance

The Texas Charitable Raffles and Casino/Poker Nights Act ("CREA") authorizes, under defined circumstances, eligible organizations to conduct raffles that require the payment of a fee for a chance to win a prize. Public schools are not "eligible organizations to hold raffles" but parent organizations with a 501(c)(3) status are. Information on how to conduct a raffle can be obtained from the Texas Attorney General's website: www.texasattorneygeneral.gov.

Food Sales

Booster organizations must comply with state and federal law as well as all district regulations on the sale of food on school premises. Booster organizations are encouraged to review and become knowledgeable of applicable laws including county food handling laws, state and federal nutritional standards, and district policies. If you have any further questions about food sales or the corresponding state and federal requirements, please contact the South San Antonio Independent School District Nutrition Services Department, Ms. Debra Rice, and (210) 977-7525.

School District Employees and Interaction

School employees are not employees of the booster club, and the booster club should be aware of the following:

- While serving as district employees, they have no authority to work for the booster club during their district work schedule. A district employee acting in his or her official capacity and during work hours may interact with booster club officials when this is a required part of his or her duties as a district employee. For example, an athletic director working with the sports booster to discuss funding for an upcoming sporting event.
- If a district employee would like to be employed by the booster club, the employee must obtain prior approval from the district's human resources department.
- If a district employee is also employed by a booster club, the district may require that the employee be paid by the district (through the district payroll system), with the district being reimbursed by the booster club for the full cost.
- A district may require that an employee chosen to work for a booster club be hired and cleared for work through the district's human resources office.
- A district employee who acts in their personal capacity and on their own personal time is free to establish a booster club or to participate in it. The employee must ensure that participation in the booster club does not present a conflict of interest with their duties as a school employee. Employees must acknowledge that their participation in booster activities are on a personal capacity and not as a district employee. Therefore, the employee will not receive any employment benefits such as workers' compensation.

Use of School Facilities

A Facility Use Request form should be submitted two weeks before the intended activity. All organizations are required to provide a certificate of insurance that includes liability and property damage coverage, and names the District as additionally insured. You can find the form, along with a list of fees and other regulations on the district web site: <https://www.southsanisd.net/Page/7317>

Facility Use Request form can be found in the Facilitron portal: <https://facilitron.com/ssaisd78242> .

Purchases for Schools

- A. All purchases shall be donated to the school in accordance with board approved policies and procedures.
- B. Staff may make requests through their principal or designee to the booster club or parent organization for desired donations from PTA/PTO and Booster clubs.
- C. The maintenance department must be consulted, prior to purchase, on all items requiring installation. The business division must be consulted on the purchase of items requiring a maintenance contract.
- D. Any capital improvements, technology equipment, other equipment valued at over \$5,000, and uniforms may only be purchased with the prior approval of the Principal and the Business Services and/or Facilities Departments. These purchases must be processed through the district's Purchasing Department to ensure compliance with statutory laws. Organizations may donate the funds to the district for the purchase of such capital improvement items. If the donation is specified for a facilities or technology improvement, the district will need to review the donation in order to ensure that the item integrates with existing technology and/or that the facility upgrade can be completed as per the State of Texas architectural requirements.

Funds raised by booster organizations are to be used to support programs; however, **no student will be required to raise funds in order to participate in school programs and events.** There is no "pay to play" in Texas schools and booster clubs cannot require parents to contribute or fundraise in order to participate in school activities. Additionally, the Texas Constitution provides for a free public school system. **Students cannot be charged mandatory fees or charges as it relates to K-12 education.**

Any profits from fundraising activities that are not spent for the booster club's exempt purpose **cannot be returned** to its members or families. In addition, funds shall not be deposited to the school and then directed to individual students or families. This is considered a gift of public funds and is prohibited by the Texas Constitution.

Financial and Accounting Requirements

Booster clubs are responsible for ensuring that proper internal controls exist for all of their financial activities. In accordance with its bylaws, each booster club should elect a treasurer who is assigned responsibility for recording, documenting and organizing all financial activities.

Booster clubs should adhere to sound business practices and maintain adequate systems of control. These include, but are not limited to, the following:

Financial Statements and Treasury

The treasurer or designated officer should prepare monthly financial statements that are presented to the organization along with a copy of the most current bank statement and reconciliation. Financial statements may include cash receipts, cash disbursements, checking account beginning and ending balances, balance sheets, income statements and other relevant items. A budget should be developed at the beginning of the year to project expected revenues and expenses and should be reviewed frequently and revised as needed. An auditor who is independent of the treasurer should be appointed and should report directly to the booster club board. The auditor should review all the financial records, journals, check registers, invoices, receipts, bank statements, and other financial information at least annually.

Cash Receipts and Bank Reconciliation

Use pre-numbered receipt books and maintain supporting backup documentation. Ensure preparation of duplicate deposit, cash count, and fund-raising forms. Bank deposits should be made intact and in a timely manner. Someone other than the individual(s) responsible for depositing funds and writing checks should perform bank reconciliations monthly.

Booster clubs are required to maintain their own bank accounts. Funds should not be comingled with personal funds and/or deposited into personal bank accounts.

Cash Disbursements

Purchases should be approved in advance by the club board and evidenced in the club board meeting minutes. Checks should require a minimum of two signatures. Backup for the check (i.e. copy of invoice) should be provided and reviewed at the same time that the check is being signed by the appropriate check signer(s).

Sales Tax Requirements

Nonprofit organizations are not exempt from collecting sales tax. Consult Texas Comptroller "Sales and Use Tax Guide for Volunteer and Nonprofit Fundraising Organizations" to determine what may and may not be taxable, and how to file and report sales taxes.

Sales Tax website. <https://comptroller.texas.gov>

Audits and Audit Committee

The treasurer's books and accounts shall be open to audit by a committee of booster members. An audit of the booster club's financial records should be conducted at the conclusion of each fiscal year. The audit committee should be composed of individuals who are independent of day-to-day financial activities. Once completed, the audit committee should report to the booster club's board and general membership as to any findings or considerations discovered in the audit. Any discrepancies noted shall be brought to the attention of the president of the organization and a resolution reached and implemented. All officers of the organization shall make records available, as requested by the committee. As an alternative to an audit committee, an audit may be conducted by an outside party, such as a CPA.

As per School Board Policy the UIL guideline at any time, the district may request (and the organization shall grant) the right to audit the group's financial records, either by district personnel or a certified public accountant, whenever any concern is raised regarding the use of the funds.

Retention of Records

Since voluntary organizations often suffer from frequent turnover of officers and members, it is important that the activities of the organization be clearly documented and that a procedure for retaining those documents be established. Records must be retained for every financial transaction and those records must support the revenues, expenses, assets and liabilities on the organization's annual 990 return. Some examples of records include receipt books, invoices, bank statements, general ledger and financial reports, income tax returns and minutes of Booster board meetings. These types of records should generally be kept for at least seven years after the close of the organization's fiscal year and filing of the final tax return (check with the IRS www.irs.gov for more specific record retention requirements). Permanent records such as Articles of Incorporation or the IRS Determination Letter should be kept permanently.

It is recommended that the organization obtain a safety deposit box or a similar storage facility to ensure security of important documents.

Termination or Dissolution of the Booster Organization

Upon dissolution of the booster organization, all funds shall be transferred to the respective school's general student body funds. The organization maintains responsibility for filing all final tax returns and appropriate documentation with the State and Federal authorities to officially close the organization and cease all operations.

Exhibit 1

SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

Application for Booster Club/Parent Organizations (PTA/PTO)

New Application

Renewal Application

GENERAL INFORMATION				
Name of Organization:		School Site:		
Mailing Address:		School Year:		
		Date Requested:		
EXECUTIVE BOARD OFFICERS				
	Name	Address	Phone	Email
President				
Vice President				
Secretary				
Treasurer				
PURPOSE (Describe the purpose of the organization)				
ANNUAL OBJECTIVES (List specific goals for the school year)				

FINANCIAL INFORMATION

Name of Bank:	Authorized Signers:
Address of Bank:	
Booster Tax ID # (EIN)	

REQUIRED DOCUMENTS

Attach Copies

- Booster Club/Parent Organization Constitution & Bylaws (if new or revised)
- Hold Harmless Agreement signed by president
- Acknowledgement form signed by each officer
- Annual budget
- Annual Financial Statement (if returning organization)

APPROVAL

This certifies you have satisfied all sections of the South San Antonio Independent School District Application for booster club / parent organizations. Authorizations are granted per school year. An application must be submitted annually.

Signature School Site Administrator: _____ Date: _____

Printed Name: _____

Superintendent or Designee: _____ Date: _____

Printed Name: _____

Authorized to operate for school year: _____

Parent Organization/Booster Club Budget (For the club record only)

School Year: _____

REVENUES:

Description of Fundraising/Income Generating Activity	Amount

A. Total Revenues: _____

EXPENSES:

Description	Amount

B. Total Expenses: _____

C. Net Profit (A-B): _____

Balance Sheet:

Beginning Balance: _____

+ A. Total Revenues: _____

- B. Total Expenses: _____

Ending Balance: _____

SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

Booster Club/Parent Organizations Acknowledgement

As an elected officer to a booster club/parent organization operating within the South San Antonio Independent School District, I certify that I have read the South San Antonio Independent School District Guidelines for Parent Booster Clubs/Parent Organizations. I understand the requirements and procedures outlined in the District’s Board Policy GE, GKA, GKB, GKC, GKG and the Parent Booster Club Guidelines Manual, and agree to adhere to all requirements. At any time should I have questions regarding policies or procedures, or the information outlined in these polices and/or guidelines, I will contact the school site administration for clarification or further instruction. I further understand that the information provided in the manual is not intended to be specific or all inclusive. It is the responsibility of the booster club/parent organization to fully understand all laws that govern the operation of the organization.

Where necessary, the booster club/parent organization will seek competent professional financial and tax advice for accounting and filing requirements. The District assumes no accountability or liability for the operation and management of booster clubs/parent organizations. I understand that as an officer of the booster club/parent organization, and member of the executive booster club’s board, I am required to ensure the procedures and operating practices are financially and legally sound, and in conformance with all rules, regulations, laws, ordinances and statutes applicable to the club/organization.

I understand and accept that South San Antonio Independent School District prohibits, at any district school or school activity, unlawful discrimination, based on the student's actual or perceived race, color, ancestry, national origin, nationality, ethnicity, ethnic group identification, age, religion, marital or parental status, physical or mental disability, sex, sexual orientation, gender, gender identity, or gender expression or association with a person or group with one or more of these actual or perceived characteristics and attest that the booster club/parent organization will abide by District policy in its membership and all operational matters.

I further understand and accept that I am legally obligated to be prudent and reasonable in conducting myself to help preserve and protect the organization.

Name of Booster Organization: _____

	Print Name	Signature
President		
Vice President		
Secretary		
Treasurer		
Other:		
Other:		

Maintain a copy of this form for your reference

South San Antonio Independent School District

Booster Club/Parent Organizations Hold Harmless Agreement

Booster clubs/parent organizations and their officers or operators will agree to indemnify, defend, and hold harmless the South San Antonio Independent School District, its Board Members, officers, agents, teachers, staff or any other employees from any damage injury or harm involving any student, parent or third party arising from or which occurs in any way as a result of or related to the booster club/parent organization activities regardless of location, including every claim or demand made, every liability, loss, damage, or expense, of any nature whatsoever by any student, parent or third party which may be incurred by reason of:

Death or bodily injury to persons, loss of or injury to property, or any loss, damage or expense which may have been sustained by the booster club/parent organization or its representatives or participants, including any corporations, district employees, firm or corporation employed by the booster club/parent organization which arises from negligence or misconduct on the part of the booster club/parent organization, its representatives, students or participants, or which in any way is related to booster club/parent organization activities, regardless of date, time or location.

Any injury to or death of persons or damage to property, any loss or theft sustained by persons, firms or corporations, including the applicant participating in booster club/parent organization activities or conduct related to booster club/parent organization activities, or otherwise arising from any act of neglect, default, omission, negligence or willful misconduct of the applicant, its members, or any person, firm or corporation employed by the applicant, either directly or by independent contract, and attributable in connection with the activity covered by this agreement, on or off District property and during or outside of school hours.

Booster clubs/parent organizations, at their own expense, cost and risk, shall defend any and all actions, suits or other proceedings that may be brought or instituted against the District, its Board, officers, agents, or employees and shall pay or satisfy any such claim, demand, liability or judgment rendered against the District, its Board, officers, agents, or employees in any action, suit or other proceedings arising out of the booster club/parent organization activities.

TO BE SIGNED BY THE PRESIDENT OF THE BOOSTER CLUB / PARENT ORGANIZATION:

Name School Site: _____

Name Club/Organization: _____

Print Name: _____

Signature: _____ Date: _____

Maintain a copy of this form for your reference.

Please return a signed copy of this form to the school site administrator