

Fundraising and Donations Guidelines for Schools, Clubs, and Teams

**Not for organizations with their own tax-exempt status (i.e. parent groups)*

- € Ensure all fundraising efforts have the approval of your principal. Students should secure the approval of their advisor or coach (who should then ensure approval by the athletic director).
 - o Principal responsibilities (additional information can be found in [Fundraising Proposal Guidelines for Principals](#)):
 - If funds are to be used for a facilities enhancement (e.g. playground equipment, creating a school garden, putting in a running track, painting the gym, etc.), you first need to secure the approval of the Facilities dept.
 - If funds are to be used for technology, you first need to secure the approval of the Technology Services department.
 - If funds are to be used for personnel, you first need to secure the approval of Human Resources.

- € Thank you letters should be written from the building to acknowledge donations of \$250 or more. These letters should, at minimum, state the name of the organization (if a club or team, also state the school's name: e.g. The FBLA club at Century High School), amount and date of the donation, and that no goods or services were provided in exchange for the donation. (See example template.)

- € If any goods or services *were* exchanged for a donation, these must be listed in the thank you/acknowledgement letter if they go beyond "token" value (i.e. if the items cost your school or club more than \$9.60 to produce, or have some commercial value, such as tickets to play that would cost the public \$10 each).
 - o Example 1: Donor gives \$100 and receives a coffee mug featuring the school's logo. The mug cost \$3.50. Therefore the value of the mug is considered "token" and the letter can still state that no goods or services were provided in exchange for the donation.
 - o Example 2: Donor gives \$100 and receives two tickets to the school play, which are sold at \$10 each to the public. The letter must state that two tickets with a total value of \$20 were given to the donor in exchange for the \$100 donation, therefore only \$80 of the donation can be considered a charitable contribution.
 - o Additional information can be found in [IRS Publication 1771](#).

- € Information on donations of cash or items valued at \$5,000 or more must be sent to the District's Business Office for acknowledgement. The Business Office will prepare an official receipt of the donation, and will include information in the packet for acceptance by the School Board at their next meeting. The acceptance of gifts and donations is part of the consent agenda and is typically approved in one motion along with other consent agenda items. Donations of *any* value that are to be used for contract services, rentals, or payroll, must be forwarded to the Business Office due to IRS reporting requirements.

Fundraising and Donations Guidelines for Schools, Clubs, and Teams

**Not for organizations with their own tax-exempt status (i.e. parent groups)*

- € **Cash donations through third-party websites.** The District acknowledges the potential benefit of accepting donations through a third-party online payment processor. District policy and Administrative Rules (KH-AR), as well as compliance with generally accepted accounting principles (GAAP), require the guidelines below for use of this collection method:
- o In partnership with the school or department administrator and office manager, the project lead will set up a school/project account with the third-party website.
 - o Disbursements will be deposited directly into the School Student Body Account via ACH or check. Donations will not go to the project lead/teacher.
 - o The project lead/teacher will request the funds through the standard Student Body Account methods.
 - o The Office Manager will have administrative rights to the website account for tracking purposes.
 - o The school or department administrator, office manager, and project lead will determine in advance how the web service fees will be charged. The project description must include the fee amount if it will be charged to the donor.