



# Parent Support Organizations Mandatory Training 2024/2025

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Director of Finance

# Today's Presentation

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- Role of Parent Support Organizations (PSO)
- Reminders
  - Bounce Houses / Inflatables
  - Food Sales / Offering
  - Building / Site Upgrades / Technology
- Governing Board Approval
  - Liability Insurance
- Operating Rules
- Financial Best Practices
- Fundraising
- Consequences for Violation

# Role of Parent Support Organizations

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Parent Support Organizations (PSOs) are separate legal entities from Gilbert Public Schools but are an important component of GPS!

Collaborate with Principals and Coaches

# Bounce Houses Inflatables

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- Bounce houses are not allowed at GPS events
- Inflatable obstacle courses are allowed with a height limit of 10 feet
- Vendor liability insurance is required
- Parent Support Organizations shall NOT sign contracts for services in which the District may be responsible for liability
- Contracts must be reviewed and signed by the Director of Finance

# Food Sales or Offerings

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- Gilbert Public Schools participates in the Federal National School Lunch Program
- All food, snacks, beverages offered or sold during the school day must meet SmartSnack standards per USDA
- Starbucks, Jamba Juice, sugar cookies, food trucks, etc. cannot be offered or sold before school or during the school day

# Food Sales or Offerings

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- Food offered or sold at evening and after school events and concession sales are allowed
- Cookie dough, packaged candy and other items to go that are not consumed at school are allowed
- Infrequent, small or targeted events may occur with an approved Fundraiser Waiver Request, obtained from your school principal (e.g. Donuts with Dad)
- Recommend fundraisers that do not involve food

# Building / Site Upgrades Technology

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- Parent Support Organizations may not initiate building or site upgrades, renovations or remodels
- All modifications or additions must have the approval of the District's Operations Department
- Money must be donated to the school and the project will be initiated by the school with a contracted, approved vendor in collaboration with Operations
- All technology purchases for use on campuses must be pre-approved by Technology Services

# Governing Board Approval

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- Mandatory annual application for Governing Board approval
- Valid for one year from approval date
- Application for Parent Support Organizations (PSO) must include:
  - Current by-laws
  - Most recent treasurer's financial report
  - Annual budget
  - Most recent bank statement
- If a new Formal 501(c)(3) PSO/Booster, the application must include:
  - All of the above
  - Articles of Incorporation
  - IRS Determination Letter



# Liability Insurance Provided by GPS

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- Arizona School Risk Retention Trust – “The Trust”
- Provides indemnity protection exclusively to Arizona school districts and community colleges. As a not-for-profit corporation, the Trust provides school districts with property and liability coverage and related services.
- Includes “Covered Parties”: Any parent teacher organization, by whatever name called, or other similar organizations, approved by the District, but only for liability arising from activities performed by and/or for the benefit of the District.

# Parent Support Organizations Operating Rules

# Operating Rules

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- Establish Officers
  - Minimum of two is required, three officers is recommended
- Develop and adopt by-laws
- Statutory Agent – Jackie Mattinen ([jackie.mattinen@gilbertschools.net](mailto:jackie.mattinen@gilbertschools.net))
- Principal / Coach / Advisor / Sponsor of school-related organizations or supported activities cannot be officers of the organization or signers on organization bank accounts and shall act in an advisory capacity only

# Operating Rules

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- GPS employees shall not serve in an officer capacity or be a check signer at the school at which they work
- This restriction does not apply to substitute employees who work at multiple schools
- At a school where the employee does not work, the leadership of the PSO and the employee shall ensure there is no conflict of interest by the employee serving as an officer

# Operating Rules

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- Develop goals and an annual budget plan for the organization
- Plan activities for the year based on the budget and goals
- All Parent Organizations shall have a budget prepared and approved pursuant to the organization by-laws
- Budgets will change - refer to by-laws on how to amend
- Income / revenue should equal expenses and allow for a reasonable carry-over in the budget

# Operating Rules

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## **Financial Audit / Review**

An audit or financial review shall be conducted at the completion of each fiscal year and upon a change of the treasurer by an independent third party, certified CPA, or an elected/selected audit/financial review committee as specified in the by-laws.

Reports shall be maintained permanently as per IRS guidelines.

# Parent Support Organizations

## Financial Best Practices

# Financial Best Practices Treasurer's Financial Report

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- Identify all income sources during the month and reconcile with the deposits on the bank statement
- Itemize all expenses paid during the month
- Cash balance shall be reconciled to cash balance on bank statement
- Copies of report and bank statement (with account number redacted) shall be made available to board members monthly and any other members who request or show interest



# Financial Best Practices Banking Procedures

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- TWO signatures are required on all checks – regardless of amount
- Family members cannot be the two check signers
- All account signers shall have online access to the banking records and should review them frequently
- Debit cards shall never be stored on school property or with school employees
- Avoid the use of credit cards to ensure the organization does not incur debt
- Venmo accounts may be established only using a business account

# Financial Best Practices

## Cash Handling

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- DO NOT GIVE CASH TO A GPS EMPLOYEE FOR ANY REASON
  - Reimbursement may be paid by check after prior approval and upon receipt of appropriate documentation.
- Money collected through fundraisers and other organization activities shall be accounted for, verified in writing and prepared for bank deposit by TWO members of the parent organization.
- When an organization dissolves, assets must be allocated according to the organization's by-laws.

# Financial Best Practices Employee Compensation

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- Do not pay any GPS employee directly
- Do not give cash, check or gift cards to employees as compensation
- Employee compensation for services provided to an organization must be paid through payroll by a donation made to the school
- Appreciation gifts may be provided up to \$50 in value per employee per year
  - Does not include meals provided at the school, reimbursement for classroom supplies, etc.

# Parent Support Organizations

## Fundraising

# Fundraising

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- Approve fundraiser at an organizational meeting per by-laws
- Ensure fundraiser directly benefits the PSO, GPS students and staff in order to be covered by the District's liability insurance
- Complete fundraising form and submit to the school administrator for approval
- Door-to-door fundraising by students is strictly prohibited
- Students should not be compelled to participate in PSO fundraising activities
- Monies shall NOT be deposited into the personal bank account of any GPS employee – this includes coaches clinic/camp LLCs

# Fundraising

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- Parent Organizations shall NOT run Student Club Fundraisers. They may volunteer to work with the students. Student Club Fundraisers are to be run by students.
- Parent Organizations may participate in a joint fundraising project with student clubs with proceeds allocated proportionately based on the level of effort devoted by each group.
- Parent Organizations may facilitate a camp and retain proceeds without special insurance.

# Fundraising Raffles

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- Parent Support Organizations may conduct a raffle
- Raffles cannot be conducted by GPS employees, students or student clubs
- No students or employees are to sell tickets or collect monies associated with a raffle
- This event may not be advertised or sponsored by GPS through any means, including email or school's web page

# Fundraising

## Crowd Fundraising

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- A method of fundraising from a large number of people, usually in small amounts, often online.
- **Crowd funding shall not be created by GPS employees using the District or the School to advertise.**
- A PSO/Booster may establish a crowdfunding opportunity on behalf of any staff or the school in general. In this way, the cash management and expense is handled outside of the normal operations of the school.
- Examples of Crowd Funding include Donor's Choose, Snap! Raise, AdoptAClassroom, GoFundMe, IncitED, Edbacker



# Consequences for Violation

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- Without GPS Governing Board Approval, the Organization will not be recognized by Gilbert Public Schools
  - Events will not be covered under the District's liability insurance
  - Fundraising shall not occur
  - Organization shall not use GPS Facilities
- Violations could have tax ramifications, including losing 501c3 status
- Paying employees outside of the payroll process creates an IRS and Arizona Department of Revenue violation
- Legal consequences including police department involvement

# Questions and Answers

[GPSVNET@gmail.com](mailto:GPSVNET@gmail.com)

Please remain in your seat

# Financial Training Attendance Verification

## Sign-in Tables in Hawk Hall