Parent Community



Organizations

Sheldon ISD School District

Procedures for Parent and Community Organizations

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GENERAL GUIDELINES AND REQUIREMENTS

Sheldon Independent School District encourages the participation and involvement of parents and community members in the education of the District's students. Parent and community organizations (PCOs) may be formed to promote the school program or to complement a particular student group or activity. Students' learning opportunities are expanded when they participate in school activities and programs, and the District greatly appreciates the time and effort that these organizations provide in service of our students.

Board Policy GE (LOCAL) requires parent and community organizations to function in a way that is consistent with the District's philosophy and objectives, within adopted Board policies, and in accordance with applicable UIL guidelines and generally accepted financial and audit practices [See CFD (LOCAL)]. These Procedures for Parent and Community Organizations are designed to provide parent and community organizations, campus principals, and faculty sponsors with operating guidelines and financial procedures to help these organizations meet that requirement. *PCOs cannot nor should not attempt to circumvent, replace, or override the professional judgement, decisions, and recommendations of the District, principal, or faculty/staff - your role is to support, not direct.*

Types of parent and community organizations include:

- Booster Clubs – formed to enrich school participation in (and community support of) extra-curricular activities and normally involves an individual student group (band, basketball, soccer, etc.); and
- Parent Teacher Organizations (PTOs) – formed to promote the general welfare of the student body at a particular campus.[1]
    - Note: There is a difference between a PTA (Parent Teacher Association) and a PTO (Parent Teacher Organization). PTA is a specific membership organization with state and national affiliations and dues requirements (see Texas PTA - https://www.txpta.org/ for more information), whereas a PTO is purely a local, independent organization with no affiliation or dues expectations to a state or national organization/overseer.

Parent and community organizations are considered to be separate and distinct entities from the District and from the campuses and programs they support [See GE (LOCAL)]. Therefore, the District, its campuses, and its programs are prohibited from allowing an organization to operate on District property without following Policy GKD, handling organization funds, or otherwise commingling District and organization resources.

[1] In accordance with Policy GE (LEGAL), the Board shall cooperate in the establishment of ongoing operations of at least one parent-teacher organization at each school in the District to promote parental involvement in school activities.

To serve on a PTO, participants should either be a current parent/guardian and/or staff member at the school.

Parent and community organizations are also responsible for their own insurance coverage, exposure to liability, financial obligations, taxes, debts, and other encumbrances.

The District is entitled to review the financial reports and organizational practices of a parent or community organization to determine whether the organization is operating in accordance with its stated purpose and in the best interests of the District.

All parent and community organizations must abide by Board Policies GE (LEGAL) and GE (LOCAL), as well as any other applicable Board policies, including, but not limited to:

- Policy CDC – governing gifts and donations made to the District;
- Policy GKB – governing fund-raising on behalf of the District;
- Policy GKD – governing the use of school facilities by members of the public.

All PCOs must receive annual training on these policies and best practices from the District. At the annual training, each PCO must be represented by AT MINIMUM 1 officer and their principal/faculty sponsor, but all organization officers are strongly recommended to attend and all members are welcome to attend.

ADMINISTRATIVE OVERSIGHT

Campus Principals

Each campus principal is responsible for overseeing the operations of any parent or community organization on his or her campus. The principal shall:

- Approve the formation of any parent or community organization;
- Receive a copy of the organization's bylaws and organizing documents by September 1 of each year (see Timeline, p. 10);
- Ensure that an organization's sole function is to support the educational activities of the designated program area;
- Oversee the operations of any parent or community organization on his/her campus, including any fund-raising activities;
- Disallow the continued association of any school program with a parent or community organization that the principal judges to be disruptive to the educational activities or goals of the program or group;
- Remove any PCO officer or member that the principal judges to be disruptive to the educational activities or goals of the program or group;
- Work with the Business Office and faculty sponsor to ensure that Board Policy GE (LEGAL), Board Policy GE (LOCAL), and these procedures are distributed to each organization on an annual basis;
- Attend an annual training with PTO representatives that is held by the district; and
- Ensure compliance with Board Policy CDC (LOCAL) regarding donations over $5,000, which must be approved by the school board prior to acceptance and in which donors (including PCOs) should submit Form (CDC EXHIBIT) that details the dollar value/market value of the donation prior to acceptance.

Faculty Sponsors

If a parent or community organization supports a particular student group, the faculty sponsor of the student group shall serve (under the supervision of the principal) as the liaison between the organization and the District.

The faculty sponsor shall:

- Approve all student/school-related activities of the supporting parent or community organization;

- Work with the parent or community organization to establish meaningful goals and student-support activities;
- Assist the parent or community organization to set a sensible budget and ensure that the organization's expenditures directly support the student group's goals;
- File a list of the parent or community organization's officers with the campus principal no later than September 1 of each school year and update the list as necessary during the school year (see Timeline, p .10); and
- Submit a list of the parent or community organization's planned activities for the coming year to the principal for approval no later than September 1 of each school year. The faculty sponsor should inform the principal of any additional activities at least 30 days before the planned date in order to obtain timely approval and to avoid any time or facility conflicts.

HOW TO FORM A PARENT OR COMMUNITY ORGANIZATION

Overview

1. **Create a small "interest group" of parents with a shared vision for the school.** Discuss and share ideas about why a PCO is needed and how much time the group can give to the organization.
    a. It is likely that weekly/bi-weekly meetings will be needed early in the creation process and that monthly/quarterly meetings will be needed once the organization is established.
    b. It is helpful for this interest group to have the participation from the principal (PTO) or potential faculty sponsor (Booster Club) right from the start of the process in order to keep their work aligned to the school/program.
    c. Begin keeping all documentation in a Shared Google Drive shared with all interest group parents and staff sponsors, as getting in this habit now makes all future processes easier/more routine.
2. **Develop a purpose or mission statement for the PCO.** What are the core values and goals of the organization and how does it align with the school's goals? Use Form PCO/1 in this document as a guide.
3. **Create a list of activities and how the school, students and parents will benefit.** Activities can resemble big ideas such as fundraisers and how to get parents connected and involved with the school.
4. **Create draft organizational bylaws.** A sample is included in this document.
5. **Develop fundraisers**. Discuss the type of fundraisers that works best for your organization - think large or small - depending on the number of parent volunteers who can coordinate the event. Fundraisers should not be the main goal unto themselves: The PCO should exist to raise funds to meet a budget to benefit the school/program. Establish an amount of fundraisers to have in a school year.
6. **Establish a date for a first public meeting and an overall meeting schedule.** Collect minutes from all planning meetings. Coordinate with the principal/faculty sponsor to set a date for and publicize it to all potential parent members.
7. **Adopt bylaws and assign/elect officers based on bylaws.**
8. **Begin securing all necessary legal and financial apparatuses.** In order, secure:
    a. State Nonprofit Status -
        i. https://www.sos.state.tx.us/corp/nonprofitfaqs.shtml
        ii. https://www.sos.state.tx.us/corp/forms/202_boc.pdf
    b. Employer Identification Number -
        i. https://www.irs.gov/businesses/small-businesses-self-employed/how-to-apply-for-an-ein
        ii. https://www.irs.gov/pub/irs-pdf/fss4.pdf
    c. A bank account in the name and EIN of the organization (not in the name or Social Security Number of any member)
    d. IRS 501(c)(3) Tax-Exempt Status -
        i. https://www.irs.gov/pub/irs-pdf/p4220.pdf

e. State Tax-Exempt Status -
    i. https://comptroller.texas.gov/taxes/publications/96-122.php
f. State Sales & Use Tax Permit - if your organization will be selling taxable items on days other than your two (2) one-day tax-free days

9. **Continue to collaborate with the school principal/faculty sponsor and parents to achieve the planned organizational goals.** Work together to form a partnership of what is best for the school, students, and staff.
10. **Maintain compliance with Sheldon ISD procedures, including Annual Training for PCOs.**

The process of forming a Parent Community Organization is likely to take several months to a full year. As a recommended timeline, steps 1-7 above could be achieved within 2 months to 1 semester, and the process of securing the necessary legal/financial statuses outlined in step 8 could then take another 2 months to 1 semester. While you should not begin fundraising until all items in step 8 have been completed, PCOs are encouraged to seek out other ways to support their partner school/program while simultaneously completing those necessary legal steps in order to keep up interest and momentum.

Below are some more specific, in-depth information about some of the steps listed above.

Draft a Set of Basic Bylaws

Bylaws are the core rules that govern your organization. They address the makeup of the executive board, how officers are elected, how often meetings are held, and similar nuts-and-bolts questions. Think about how you want your group to run, then review other groups' bylaws before adopting your own. Adopt bylaws by general agreement of your founding members/officers. Be sure to include a procedure to amend the bylaws if necessary. Note that bylaws address the basics of how your group will run. As you organize, you'll also want to create a set of policies, or standing rules. These are more specific, and you don't need an amendment to change them. For example, your bylaws might state you have a general meeting a minimum of four times a year; your policies might dictate that a meeting is held on the first Wednesday of each month.

Obtain Tax Exempt Status as a Non-Profit Organization

If the parent or community organization has not obtained tax-exempt status as a non-profit organization, it may follow the steps below to obtain it:

- Obtain information on tax-exempt status from IRS Form 1023 checklist.

- Create Articles of Incorporation
- Prepare Form 202 – Certificate of Formation – Nonprofit Corporation and file with the Office of the Secretary of State
- Obtain approval by majority vote at membership meeting
- File online for an IRS Employer Identification Number (EIN)
- Prepare Bylaws and approve by majority vote at membership meeting (held after incorporation is complete)
- Prepare IRS Form 1023 – Application for Recognition of Exemption
- File IRS Form 8718 – User Fee for Exempt Organization Determination Letter Request
- Mail the following forms to the IRS:
- Form 8718 and check for filing fee ($400 if gross proceeds for last 4 years or anticipated proceeds for first 4 years average less than $10,000; $850 if averaging over $10,000)
- Form 1023, Application for Recognition of Exemption
- Copy of Certificate of Incorporation from Secretary of State
- Articles of Incorporation
- Copy of signed Bylaws
- Obtain Tax-Exempt Status from State and Use Taxes

After receiving a Determination Letter from the IRS indicating your organization qualifies as a public 501(c)(3) charitable organization, request exempt status from State sales and use taxes and franchise taxes as follows:

- Complete form AP-205 – Texas Application for Exemption – Charitable Organizations located in the Texas State comptroller's website
- Print completed form and mail it along with a copy of the Articles of Incorporation and IRS Determination letter to the Exempt Organization Section of the Comptroller of Public Accounts
- Apply For Sales & Use Tax Permit

After your organization receives a letter from the State Comptroller approving an exemption from State sales and use taxes, apply for a State Sales & Use Tax Permit if your organization will be selling taxable items on days other than your two (2) one-day tax-free days

- Complete form AP-201 – Application for Sales and Use Tax Permit located in the Texas State comptroller's website
- If your organization currently has a permit number (prior to becoming a public 501(c)(3) charitable organization) indicate the number of the form so that the old account can be closed when the new permit is issued.
- Print completed form and mail it to the Comptroller of Public Accounts

Opening a Bank Account

Once an EIN has been received, use it to open a bank account. Each parent or community organization must have a separate bank account at a facility in proximity to the school.

A member's social security number should not be used as the organization's EIN for banking and/or other purposes.

Best Practices

- Follow all laws and applicable to Sheldon ISD guidelines, including those pertaining to fundraising activities
- Provide the Principal and Family and Community Engagement department with a list of the PTO/Booster Club officers at the beginning of each school year and as officers change.
- Update the authorized signers on your bank accounts as officers change.
- Ensure that your PCO is in good standing as a valid non- profit organizations on a yearly basis
- All monies received in the name of the PTO/booster club must be receipted, deposited into the PTO/booster club checking account and accounted for through the financial records.
- It is imperative that all monies collected are properly safeguarded
- Request a W-9 from all vendors before issuing them a check for work performed on behalf of the PTO/booster club
- Give receipts to individuals
- Deposit funds daily
- Check account balance before making any purchases
- Develop a pre-approval process for all expenditures
- Ensure your bylaws require two signatures on checks
- Ensure at least two persons are present when collecting and/or counting cash
- Perform Monthly Reconciliations
- Create a spreadsheet to track all financial transactions; the bookkeeping procedures shall include receipts, deposits, issuance of checks and purchasing
- Review Bank Statement – Share the bank statement with the officers and principal. The President should review the bank statements on a monthly basis.
- Always balance your spreadsheet to the bank statement; you must always be able to reconcile the finances at the close of each month.
- Audit
- Perform a financial audit and/or annual accounting each year
- Retain all financial records, including receipt books for a minimum of 5 years.

OPERATING PROCEDURES

Each parent and community organization shall operate under bylaws and procedures and shall submit a copy of the current bylaws, operating procedures, and articles of incorporation (if applicable) to the school principal and the Chief Financial Officer by September 1 of each school year and within five (5) business days of any subsequent change to the documents.

Each parent and community organization shall also submit a completed Statement of Purpose (Form PCO/1) by the last Friday in September each school year (see Timeline, p. 10).

Record-Keeping Practices and Operational Transparency

All meetings of parent or community organizations must be public meetings. Minutes of all parent organization meetings should be kept in writing in the permanent records of the organization.

Each parent and community organization should maintain its financial and other business records in an orderly manner to facilitate the transfer of duties to new officers each year. Each organization must also comply with any record-keeping requirements imposed by the IRS or other federal and state agencies and laws.

Conducting Business and Handling Funds

Parent and community organizations may not bind the District or any of its employees to a third party, otherwise act on the District's behalf, or use the District's name or IRS Employer Identification Number ("EIN") to conduct business. This prohibition extends to using the District's name on checks, letterhead, and literature. The District is not liable for any contracts entered into or expenditures made by a parent or community organization. Parent and community organizations are strongly encouraged to obtain legal assistance before entering into any agreement or contract in the organization's name. Parent and community organizations shall seek competent tax and legal advice on their own and at their own expense, as needed.

Each parent and community organization shall obtain its own EIN and provide that number to the Chief Financial Officer upon receipt. Each organization shall handle funds in its own bank account; under no circumstances shall parent or community organization funds be commingled with District funds.

The proper collection, reporting, disbursement, and safeguarding of all money and other parent and community organization assets rests solely with each organization's officers, jointly and severally, and not with the District or any of the District's employees. The principal of each campus may act in an advisory capacity only, and has no authority to handle organization funds, set policy for an organization, or act as a signatory on an organization's bank account.

The Business Office must process all fund transfers from parent or community organizations to the District; organizations may not transfer funds to employees or other

individuals directly. District employees may not accept loans from parent or student organizations.

Parent and community organizations should obtain a post office box or use a member's home or business address for all correspondence; these organizations shall not use a District mailing address to conduct business.

Capital equipment purchased with parent or community organization funds become the property of the District and must be used exclusively for District purposes. Before an organization working with the school purchases equipment for the schools, the organization shall notify the principal/faculty sponsor of their plans, who shall determine the type or brand of equipment to buy to ensure compatibility with current District equipment and with current facility specifications. The approval and cost of any facility modifications needed should be considered before approving the equipment purchase.

Facilities Usage

District-affiliated, school-support PTOs or booster clubs may use District facilities with prior approval of the appropriate administrator. All applicable facility usage fees may apply in accordance with Policy GKD. Other parent groups may use District facilities in accordance with Policy GKD. Under no circumstances shall any parent or community organization be allowed to use District-owned motor vehicles.

Conflicts of Interest

A District employee may serve a parent or community organization as a general member or as a member of its executive board, except for the position of treasurer. A District employee shall not serve in any capacity over the organization's financial affairs, including as an authorized signer on the organization's bank account. Moreover, all District employees affiliated with a parent or community organization must abide by the District's policies regarding avoiding and reporting potential conflicts of interest. [see Policy DBD].

A substitute or temporary District employee may serve as treasurer of a parent or community organization or as an authorized signer on the organization's bank account only with written approval from the principal or supervisor where the organization is located, and from the Chief Financial Officer or his designee. If the substitute or temporary employee's employment with the District spans more than one school year, the employee must request and receive approval at the start of each school year. The written approval must be kept on file with the District's Chief Financial Officer.

Bylaws

A sample of bylaws is available at the end of this document.

FINANCES AND FINANCIAL REPORTS

As required by Board Policy GE (LOCAL), each parent and community organization must handle its finances prudently, ethically, and in accordance with all state and local laws and regulations, generally accepted good business practices, and applicable Board policies.

Financial Reports

The treasurer of each parent or community organization must complete a Financial Summary Report (Form PCO/2) no later than the second Friday in May of each school year.

The treasurer of each parent or community organization must also prepare a comprehensive written report of actual revenues and expenditures (annual report) for the school year, which shall be September 1 to August 31. This report and supporting financial information must be reviewed by either an organizational review committee or by an independent reviewer (*e.g.*, a CPA). If the organization decides to use a review committee, at least one member of the committee must not be an officer or related to either an officer or the faculty sponsor. *See* Suggested Audit Program, below.

Each parent or community organization must submit a copy of the annual report and evidence of audit to the District's Chief Financial Officer by October 31 of each year, or the following business day if October 31 falls on a weekend or District holiday. The Chief Financial Officer shall confirm that the financial report has been reviewed and maintain a copy of the report in the District's records, but shall not audit the report.

Fiscal Transparency

At each parent or community organization meeting that includes the organization's general membership, the treasurer must present a written report of the money received and expended since the previous report.

Each parent or community organization must present the annual financial report and evidence of audit at a meeting that includes the organization's general membership by October 31 of each year.

Optional Non-Profit Status

A parent or community organization may, but is not required to, obtain federal tax-exempt status as a public 501(c)(3) charitable organization by obtaining a Determination Letter from the Internal Revenue Service (IRS) stating that the organization is exempt from federal taxes. **Benefits of 501(c)(3) Status include: the PCO does not pay taxes on income, contributions are tax deductible for donors, and it thus encourages charitable giving.** Once the organization receives a Determination Letter, it must submit a copy to the District's Chief Financial Officer.

SUGGESTED AUDIT PROGRAM

Parent and community organizations may choose to have a committee of its members review the organization's annual financial report. In that event, the District suggests the following audit program and practices:

Bank Reconciliations

- Trace ending balances on bank reconciliations to bank statements, outstanding check lists, and other reconciling items;
- Verify that bank reconciliations were completed within 30 days of bank statement ending date;
- Ensure that any outstanding or reconciling items on the reconciliations were cleared the following month;
- Verify that the balance in the bank account (at beginning of school year), plus total deposits per check register, minus total disbursements per check register, balances to ending bank account balance (at end of school year).

Bank Statements

- Determine whether a procedure is in place for an organization member, other than those members with check-signing ability, to receive bank statements by mail and review for reasonableness;
- Determine whether any cash corrections were identified on bank statements and ensure that reasonable explanations are available;
- Compare the number of cleared checks included in the bank statement with the number noted on the bank statement to ensure agreement;
- Ensure that cleared checks contain signatures of individuals authorized to sign checks. Ideally, bank accounts should be established to require two signatures.

Receipts

- From the check register or other accounting records, schedule each deposit (use of spreadsheets is helpful). If volume is significant, consider selecting only a representative sample.
- Trace deposits to collection documentation and prepared cash receipts for agreement;

- Trace deposits to bank statements to ensure agreement;
- Ensure that receipts are presented for deposit in a timely manner by reviewing the dates of prepared cash receipts with the dates of deposit on the bank statement.

Disbursements

- From the check register or other accounting records, schedule each check, withdrawal, or other debit (use of spreadsheets is helpful). If the volume is significant, consider selecting only a representative sample.
- Trace checks to supporting documentation, such as invoices, receipts, approved expenses related to fundraisers, or other reasonable explanations;
- Review canceled checks to ensure agreement of payee name, endorsement, and check amount;
- Trace disbursements to a budget approved by the membership or meeting minutes;
- For bank withdrawals for the purpose of establishing a change fund for an event, confirm that the change fund was later re-deposited;
- Evaluate each fundraiser individually by calculating the value of items available for sale or number of tickets sold, and comparing the amount to deposits and remaining inventory;
- Determine whether fundraiser applications (Form PCO/3) were prepared and submitted to the campus principal for each fundraiser.

Miscellaneous

- Inventory remaining check stock to confirm that all checks are present and sequential. Ensure that the check number for the last check issued and the first check available in the check stock are sequential;
- Confirm that the check stock is retained in a secure place when not in use;
- Determine whether any checks were voided during the course of the year. Ensure that any voided checks are retained in the records, but have been significantly modified to eliminate the possibility of clearing the bank (*e.g.*, the signature portion has been cut out of the check and "VOID" is written across the check);
- Ensure that sales tax reports were prepared and filed timely;
- Verify that IRS Form 990 was filed and review for reasonableness.

FUNDRAISING

Parent and community organizations shall conduct all fund-raisers in accordance with federal, state, and District guidelines and for no other purpose than to support the school program or group activity for which the organization was formed. [See Policy GKB].

Fund-Raising Guidelines

In particular, revenues generated from fund-raising activities must benefit the organization, the sponsored student group, or the student activity area as a whole – not individuals. Therefore, parent and community organizations may not use methods of fund-raising or accounting that credit individuals for their fund-raising efforts. All members of the organization, the sponsored student group, or the student activity area must receive an equal opportunity to benefit from fund-raising activities, regardless of whether or not an individual participated in the fund-raising activities.

In addition, organizations may not require individuals to participate in fund-raisers, and benefits given by a parent or community organization may not be distributed based on participation in a fund-raiser or on revenues generated by a particular individual or family. Therefore, a parent or community organization cannot deny an individual member of a supported District program or student group a benefit because the individual did not participate in the fund-raiser or failed to raise a certain amount of revenue.

A parent or community organization may establish written criteria for providing certain benefits to an individual with a financial hardship, and may provide students who meet the criteria a benefit that other students do not receive (for instance, in the event that students have to pay a designated amount to attend a trip, a student who meets the financial hardship criteria may have the full amount of his or her trip paid by the organization). The IRS allows such exceptions in order for all members to receive an equal opportunity to benefit from fund-raising activities, so long as the criteria for determining financial hardship is established prior to a financial hardship situation arising, the criteria does not change to allow a particular individual to meet the criteria, and the criteria is applied consistently to all potential recipients.

Also, be aware that solicitation materials may legally restrict funds. For example, if a PCO distributes solicitation materials for a specific purpose, donations received in response to the solicitation may be legally restricted to that purpose. To avoid this, solicitation materials should emphasize the organization's ultimate discretion over how it uses any contributions received.

Notice of Fund-Raising Activities

A parent or community organization desiring to conduct a fund-raising activity for a school program shall submit the following information to the designated District employee

(campus principal or sponsor) on the appropriate form (Form PCO/3) at least 30 days prior to the intended activity:

- Purpose of the fund-raiser;
- Type of activity planned (*e.g.*, candy sale, carnival, etc.);
- Date(s), time(s), and place(s) of the activity;
- Name of the sponsoring organization and its representative;
- Name and phone number of the person(s) in charge of the fund-raiser; and
- Name and phone number of the organization member(s) who will be handling the funds raised.

Student Participation in Fund-Raising Activities

Organizations should limit the number of major fund-raising activities involving students, and the faculty sponsor and the principal must approve any such fund-raising activities.

The purpose of the PCO is to raise additional funds on behalf of the students, not to replace student-led fund-raising activities hosted by the campus/program (that benefit campus/program "activity funds") nor to create additional school/work responsibilities for the students.

Note: Sheldon ISD has a strict expectation for avoiding "street corner" fund-raisers (i.e. students asking for donations or selling items along the sides of busy roads) and fund-raisers that could potentially put students in uncomfortable, illegal, inappropriate/non-age- appropriate, exploitative, or dangerous situations (like car-washes or any events involving bathing suits, door-to-door solicitation, private events, any events involving alcohol, etc.)

Charitable Raffles and Gaming

In Texas, there are VERY specific laws around raffles, bingo/casino nights, and other games of chance. See the Charitable Raffle Enabling Act ("CREA") and the Texas Attorney General's opinion page on Charitable Raffles and Casino/Poker Nights (https://www.texasattorneygeneral.gov/divisions/charitable-trusts/charitable-raffles-and-casinopoker-nights) for specific details. Highlights include:

- Only a qualified 501(c) tax-exempt, nonprofit organization that has been in existence for at least three years may hold raffles in Texas.
- Each qualified organization is allowed four raffles per calendar year.
- Cash prizes are strictly prohibited.

- The following five items must be on each ticket: the name of the organization conducting the raffle, the address of the organization or of a named officer of the organization, the ticket price, a general description of each prize having a value of more than $10 to be awarded in the raffle, and the date on which the raffle prize or prizes will be awarded.

Overall, please exercise much caution and do your research before hosting a raffle or other gaming activity.

BOOSTER CLUB GUIDELINES

Booster Clubs must abide by the same procedures as any other parent or community organization but are also bound by UIL policy. Thus, in addition, Booster Clubs shall:

- Be voluntary and provide unified support for student activities of the school;
- Be limited to a single club/organization for each area of student activity (*i.e.*, athletics, band, choir, etc.);
- Encourage involvement by all parents of students participating in the supported activity;
- Use school facilities only with prior approval of the principal or his/her designee in accordance with Policies GE(LOCAL) and GKD(LOCAL);
- Not be involved in decision- or policy-making activities for a student group;
- Have no authority in directing or influencing District employees in the administration of duties;
- Comply with all UIL guidelines, which can be found on the University Interscholastic League website (https://www.uiltexas.org/policy/guidelines-for-booster-clubs);
    - This includes specific rules on Athletics, Academics (including Theatre), and Music Booster Clubs and the Amateur Rule, all of which are applicable to relevant PCOs.
- Comply with administrative regulations and Board policy when offering money/gifts to the District [see Policy CDC];
- Pay all taxes and other debts incurred by the organization;
- Issue receipts for all money collected; and
- Attend the District's annual school-related organizations meeting.

PARENT AND COMMUNITY ORGANIZATION TIMELINE

The following timeline applies to Parent and Community Organizations:

September 1	• Deadline for faculty sponsor to: (1) file a list of the organization's officers with the campus principal; and (2) submit a list of the organization's planned activities for the coming year to the campus principal for approval. • Deadline for organization president to submit a copy of current bylaws, operating procedures, and articles of incorporation (if applicable) to campus principal and Chief Financial Officer.
First Friday in September	• Chief Financial Officer or his designee provides PCO/1 forms to campus principals.
Second Friday in September	• Campus principals distribute PCO/1 forms to organization presidents.
Last Friday in September	• Presidents return signed forms to campus principals. Principals sign forms and submit them to Chief Financial Officer by the next business day.
October Board Meeting	• List of prospective organizations submitted to Board of Trustees for approval.
October 31	• Deadline for organization treasurer to submit copies of financial reports and evidence of audit to Chief Financial Officer; • Deadline for organizations to present their annual financial report and evidence of audit at a general membership meeting.
Second Friday in April	• Chief Financial Officer or his designee provides PCO/2 forms to campus principals.
Fourth Friday in April	• Campus principals distribute PCO/2 forms to organization presidents. Organization treasurers complete form.
Second Friday in May	• Organization presidents return signed PCO/2 forms to campus principals. Principals sign forms and submit them to Chief Financial Officer by the next business day.

Form PCO/1

Parent or Community Organization's Statement of Purpose

Name of Club/Organization: _____ School: _____

How many years has the organization been in existence?

Name of President: Address: City: State: Zip: Daytime Phone: ( ) -	Name of Vice President: Address: City: State: Zip: Daytime Phone: ( ) -

Briefly describe the goals and objectives of your club and how obtaining those would benefit both students and their school:

What is the total amount of money the organization has on hand as of this date?

This report is submitted by: Date: Phone: ( ) -

Please be aware that, at the end of each school year, your organization must file a separate Booster Club/Organization Annual Report (Form PCO/2) with the administration. The PCO/2 report will indicate the following:

1. Amount of money in your account at the beginning of the school year.
2. Amount of money raised during the school year
3. Report of how funds were expended (activities, equipment, materials, services, etc.)
4. Total balance of funds for carry-over to next school year.

Principal's Recommendation: □ Approval □ Non-Approval

Principal's Signature: _____ Date: _____

Form PCO/2

Parent or Community Organizations's Annual Report

Name of Club/Organization: _____ School: _____

Name of President:_____ Daytime Phone: _____

Address: _____ Houston, TX Zip:_____

Activities completed / Objectives achieved by the club/organization:
1.
2.
3.
4.

Money in account at the beginning of the school year: **$**
Total amount of money raised during the school year: **$**

Activities, equipment, materials, services, etc. purchased with funds:

- _____ $
- _____ $
- _____ $
- _____ $
- _____ $
- _____ $
- _____ $
- _____ $

Total **expenditure** of money for the school year: $
Total **balance** of money on hand for carry-over: $

This report was completed by: _____ Date: _____

Address: _____ City: _____ Zip: _____

Daytime Phone: _____ Position in Club: _____

Form PCO/3

Parent or Community Organization's Request for Approval of Fund-Raising Activity

□ Booster club or other school-support organization

□ Parent-Teacher organization

Name of Club/Organization:

Name of the sponsor:

School: _____

Project: _____

_____

Vendor: _____

Vendor's address: _____

Name of representative: _____

Date of project: _____

Length of project: _____

Expected profit: _____

Name of person who will be handling the project's money:

Purpose/Benefit to the school or District: _____

_____

_____

Scope of solicitations: _____

_____
Sponsor's signature

_____
Date

_____ □ Approved □ Denied
Principal's signature

_____
Date

Sample Bylaws

of

[NAME OF PCO HERE]

Article One: Name and Location

Section 1. Name. The name of this organization shall be [PCO NAME].

Section 2. Location. All meetings of the Officers may be held at such places within the Sheldon I.S.D. as the Officers may designate.

Article Two: Purposes and Structure

Section 1. Purposes. This corporation is organized exclusively for charitable and educational purposes as defined in Section 501(c)(3) of the Internal Revenue Code. The purposes of the Corporation include raising funds, purchasing personal property, and services to be used by students and faculty of local schools; providing volunteers for educational activities at local schools; engaging in other charitable, civic, or educational activities that will contribute to the public education of the community; and exercising other powers conferred by the laws of Texas on nonprofit corporations.

This Corporation shall be self-governing, self-supporting, non-commercial, non-sectarian, nonprofit and nonpartisan, and shall seek neither to direct the administrative activities of the Sheldon Independent School District nor to control its policies.

No part of the net earnings of the Corporation shall inure to the benefit of any Officer or the Corporation, officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes); and no director, officer or any private individual shall be entitled to share in the distribution of any of the corporate assets on the dissolution of the Corporation. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

The Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under 170(c)(2) of the Internal Revenue Code and Regulations as they now exist or as they may hereafter be amended.

The Corporation shall observe the following regulations: Sheldon Independent School District Parent Organization Guidelines and all local, state and federal laws which apply to nonprofit organizations.

Upon dissolution of the Corporation or the winding up of its affairs, the assets of the Corporation shall be distributed exclusively to charitable organizations which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may be amended.

The Corporation is organized pursuant to the Texas Nonprofit Corporation Act and does not contemplate pecuniary gain or profit and is organized for nonprofit purposes which are consistent with the provisions of Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exists or as they may be hereafter amended.

Article Three: Membership

Section 1. Membership. Membership in this organization is open to any person who is a parent, guardian, or adult relative of a child or children enrolled at [NAME OF SCHOOL SUPPORTED BY PCO] or a faculty or staff member of the school, and who will uphold the policies of this organization and agree to its Bylaws. A maximum of one membership shall be granted to each family unit.

Section 2. Qualification. Eligible persons shall become members by paying the prescribed membership dues per family per school year. Upon payment of such dues, a member shall be considered in good standing and be entitled to any and all rights and privileges of membership.

Section 3. Membership Drive. An annual membership drive shall be conducted as early in the school year as possible, with additional members accepted at any time.

Section 4. Dues. Annual dues shall be assessed in such amounts as determined by the Board of Directors. Dues shall be payable at the beginning of each fiscal year.

Article Four: Officers

Section 1. Qualification. Any member in good standing is eligible to serve on the Officer Board.

Section 2. Powers. The Board shall be the governing body of the organization and shall manage, control, and direct the affairs and property of the organization.

Section 3. Compensation. No Officer shall receive compensation for any service he or she may render to the organization. Officers may be reimbursed for actual expenses incurred in the performance of their duties.

Section 4. Officers. The elected Officers of this organization and their duties are as follows:

a. The President shall:

1. Preside at all meetings of the Officers;
2. Coordinate the work of the Officers and/or committees in order that the objectives may be promoted;
3. Coordinate the work so that the necessary reports are timely made to the appropriate State and Federal agencies;
4. Perform such duties as deemed necessary by the Officers.

b. The Vice President shall:

1. Assume the duties of the President in the event of the President's inability to serve or resignation;
2. Maintain a roll of all members of the organization;
3. Perform such other duties as deemed necessary by the Officers.

c. The Secretary shall:

1. Record the minutes of all meetings of the Officers, and furnish a copy of such minutes to the President within one (1) week following the meeting;
2. Coordinate all correspondence relating to the Corporation;
3. Catalogue and supervise the property of the Corporation;
4. Publish all notices of meetings or other matters, as required by the provisions in these Bylaws;
5. Perform such other duties as deemed necessary by the Officers.

d. The Treasurer shall:

1. Be the financial officer of the Corporation;
2. Prepare the budget and provide financial reports as requested;
3. Receive all monies of the Corporation and deposit said monies in a bank designated by the Officers of the Corporation;
4. Keep an accurate record of receipts and expenditures;
5. Pay out funds with proper vouchers in accordance with the approved budget;
6. Prepare all required tax returns on behalf of the Corporation;

7. Perform such other duties as deemed necessary by the Officers.

e. The Parliamentarian shall:

1. Advise the presiding officer in matters of parliamentary procedure;
2. Review annually the membership policies to ensure compliance with the non-discriminatory membership requirement set forth in Article Seven of the Articles of Incorporation and shall report all findings to the Board;
3. Perform such other duties as deemed necessary by the Officers.

Section 5. Term. Each elected officer shall serve a term of one (1) year or until a successor has been duly elected or appointed.

Section 6. Meetings. The Officers shall provide for by resolution the time and place for the holding of at least one annual meeting of the Officers, and of the additional regular meetings of the Officers, without other notice than such resolution.

Section 7. Notice. Notice of any special meeting of the Officers shall be given at least two days previously thereto by oral or written notice delivered personally or sent by mail or facsimile to each Officer at his or her business address. Any Officer may waive notice of any meeting, and the attendance of an Officer at any meeting shall constitute a waiver or notice of such meeting.

Section 8. Quorum. A majority of the Officers shall constitute a quorum for the transaction of business at any meeting of the Officers; but if less than a quorum of the Officers is present at said meeting, a majority of the Officers present may adjourn the meeting from time to time without further notice. The act of a majority of the Officers present at a meeting at which a quorum is present shall be the act of the Officers.

Section 9. Voting. Each qualified family unit, as described in Article Three, Section 2 of these Bylaws, shall have the right to cast one vote in any matter at a particular meeting. The decision of a majority of the voting members present at a meeting at which a quorum is established will be binding on the organization, unless provisions of these Bylaws require greater vote.

Section 10. Proxy. No voting by proxy will be allowed.

Article Five: General Provisions

Section 1. Fiscal Year. The fiscal year of this organization shall be July 1 through June 30 of the following calendar year.

Section 2. Operating Funds. Operating funds shall be maintained in a general fund, and an accounting of such funds shall be presented at all meetings.

Section 3. Fiscal Responsibility. All Officers having fiscal responsibility shall be bonded.

Section 4. Authority to Sign Checks. Only the president, treasurer and secretary shall have authority to sign checks for the expenses of the Corporation. Two signatures are required on corporation checks.

Section 5. Annual Statement. The Officers shall present at each annual meeting, or when called by vote of the members at any meeting, a full and clear statement of the condition of the organization.

Section 6. Group Exemption. This nonprofit organization will qualify as a tax-exempt organization under the provisions of Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may be amended.

Article Six: Amendments

Section 1. Amendments to Bylaws. These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by a majority of the Officers, provided that such alterations, amendments, or proposed substitute Bylaws have been read or distributed to all Officers present at the previous regular meeting or such action may be made at a special meeting held at least ten days after the regular meeting at which the reading or distribution was made.

Section 2. Amendments to the Articles of Incorporation. The Officers shall adopt a resolution setting forth any proposed amendment to the Articles of Incorporation, which, if approved by a majority of the Officers, shall be again submitted for a vote at the next regular meeting of the Officers.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of the [NAME OF PCO] and that these Bylaws constitute the corporation's Bylaws. The Bylaws were duly adopted at a meeting of the Officers held on _____20XX.

_____ _____

Secretary of the Corporation Date