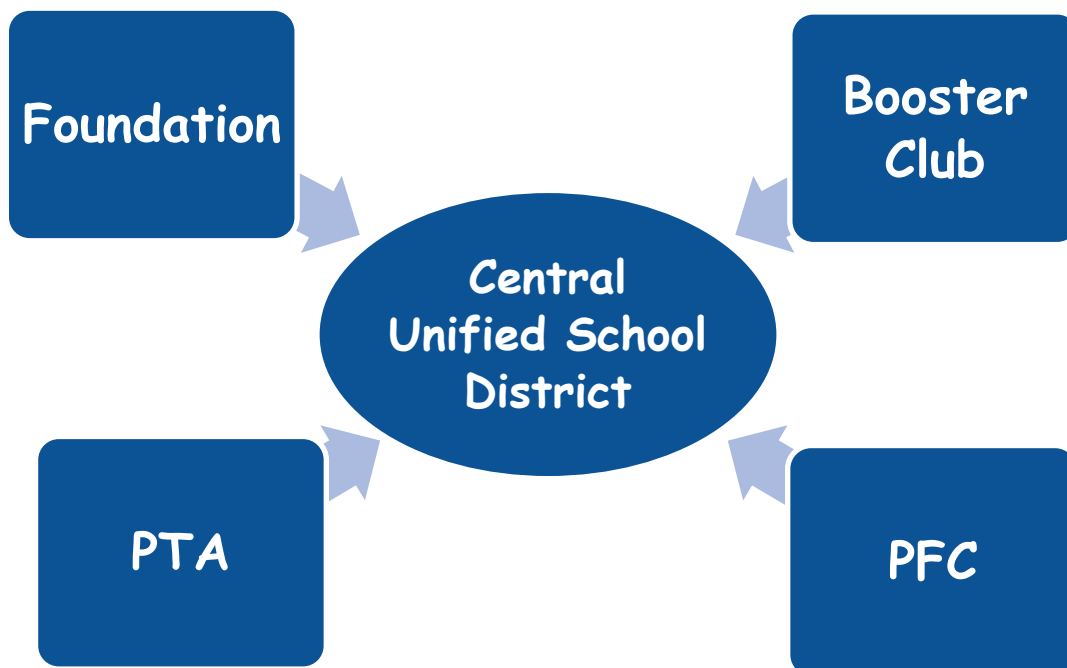


# School Connected Organization Procedure Manual



Prepared by  
Fiscal Services Office  
Human Resources Office



4605 N. Polk Avenue  
Fresno, CA 93722  
Phone: (559) 274-4700

# TABLE OF CONTENTS

## I. Operating Requirements

|  |        |
|--|--------|
| A. School Connected/Booster Club Basic Requirements..... | Page 1 |
|--|--------|

## II. General Guidelines and Information

|   |         |
|---|---------|
| A. Purpose of a School Connected/Booster Club.....                    | Page 3  |
| B. Formation of a School Connected/Booster Club.....                  | Page 3  |
| i. School Connected/Booster Club Approval .....                       | Page 3  |
| ii. Naming of the School Connected/Booster Club .....                 | Page 3  |
| iii. Tax Information.....   | Page 4  |
| iv. Sales and Use Tax Laws & Obtaining a Seller’s Permit.....         | Page 5  |
| v. Banking Information .....  | Page 6  |
| vi. Insurance Requirements .....                                      | Page 6  |
| vii. Limit of Liability .....   | Page 7  |
| C. School Connected/Booster Club Organization.....                    | Page 8  |
| i. Constitution and By-Laws .....                                     | Page 8  |
| ii. Membership.....   | Page 9  |
| iii. Election of Officers .....                                       | Page 9  |
| iv. Audit Committee .....   | Page 11 |
| v. Standards of Meetings .....  | Page 11 |
| vi. Dissolution of School Connected/Booster Clubs.....                | Page 12 |
| D. Operating Procedures.....  | Page 13 |
| i. Purchases for Schools.....   | Page 13 |
| ii. Purchases for the School Connected/Booster Club.....              | Page 13 |
| iii. Hiring Request and Payment of Salaries.....                      | Page 14 |
| a. Hiring Request (Employee and Volunteers) .....                     | Page 14 |
| b. Approval for Payment of Salaries (Employees) .....                 | Page 14 |
| c. Payment of Salaries & Billing .....                                | Page 14 |
| iv. Consultants/Independent Contractors.....                          | Page 15 |
| v. Determining an Employee vs. Consultant/Independent Contractor..... | Page 15 |
| vi. Use of School Facilities.....                                     | Page 16 |
| vii. Gifts and Awards .....   | Page 16 |
| viii. Relationship and Interaction with District Personnel.....       | Page 16 |
| ix. Other Requirements.....   | Page 17 |

|  |             |
|--|-------------|
| E. Fundraising .....   | Page 18     |
| i. School-Connected Food Sales.....                                | Page 19     |
| ii. Bingos, Raffles and Auctions.....                              | Page 19     |
| a. Bingos.....   | Page 19     |
| b. Raffles .....   | Page 20     |
| c. Auctions .....  | Page 20     |
| F. Financial Procedures.....                                       | Page 21     |
| i. Budgets and Budget Management.....                              | Page 21     |
| ii. Financial Reporting to the Membership.....                     | Page 21     |
| iii. Financial Reporting to the District / School Site.....        | Page 21     |
| iv. Cash Receipts .....  | Page 21     |
| v. Disbursement of Funds.....                                      | Page 21     |
| vi. Petty Cash.....  | Page 22     |
| vii. Bank Deposits.....  | Page 22     |
| viii. Bank Reconciliation .....                                    | Page 23     |
| ix. Internal Controls.....   | Page 23     |
| x. 1099 Requirements.....  | Page 24     |
| xi. Annual Audit Requirements.....                                 | Page 24     |
| xii. Retention of Records.....                                     | Page 25     |
| G. General Do's and Don'ts of School Connected/Booster Clubs ..... | Page 26- 27 |
| H. Questions & Answers .....                                       | Page 28- 45 |

### **III. References and Forms**

|  |             |
|--|-------------|
| A. Board Policy 1240 .....   | Page 44- 49 |
| B. School Connected/Booster Club Manual Acknowledgement Form .....             | Page 50     |
| C. School Connected/Booster Club Hold Harmless Agreement .....                 | Page 51     |
| D. Application for School Connected/Booster Club .....                         | Page 52     |
| E. Revocation of Application for an Existing School Connected/Booster Club ... | Page 53     |

# School Connected/Booster Club Basic Requirements

School Connected/Booster clubs are parent organizations formed primarily to assist student groups with obtaining resources for events, supplies, equipment and various fees and expenses. School Connected/Booster clubs are separate from the District and they are not under the control of or the responsibility of, the site administrator, superintendent or governing board. Their funds are not controlled by the district or the students, nor should they be involved in the administering or supervising of the activities of student organizations.

However, governing boards are able to approve guidelines for School Connected/Booster clubs to follow and the organization's fundraising activities. Education Code section 51521 requires that all organizations that conduct fundraising to benefit clubs, schools, students or the district at the K-12 level have prior approval from the school district's governing board or the board-assigned designee.

To meet statutory requirements, the Central Unified School District (District) has policies and regulations requiring School Connected/Booster clubs to do the following:

1. Submit for approval annually, a completed application with required documentation, including an updated plan of activities and its Board officers.
2. Each officer must submit a signed Acknowledgement Form (see Forms section).
3. Complete a Hold Harmless Agreement (see Forms section).
4. Submit a copy of annual financial statements to the principal or site designee at the end of the fiscal year (and mid-year financial statements upon request).
5. Be in compliance with all District Policies and Regulations.

The District, Superintendent or site designee reserves the right to revocation of any School Connected/Booster club with cause.

School Connected/Booster clubs must also comply with the following rules or their approval may be terminated.

1. School Connected/Booster clubs may not imply any form of responsibility on the part of the District, school or ASB.
2. School Connected/Booster clubs are not legal components of the school district and must have their own tax identification number; they are NOT allowed to use the school or District tax identification number.
3. School Connected/Booster clubs are responsible for their own tax status, accounting and financial records.
4. School Connected/Booster clubs must not commingle their funds with ASB funds.

5. School Connected/Booster clubs must submit a Certificate of Liability from their insurance company and a Hold Harmless Agreement.
6. School Connected/Booster clubs must carry their own liability insurance in an amount equal to or exceeding the minimum determined by the District.
7. Submit to the Executive Board, mid-year and end of year financial statements.
8. School Connected/Booster clubs must have their own bank account separate from the District and/or ASB.
9. School Connected/Booster clubs are authorized to operate for a period of one fiscal year with renewals available.
10. Fundraising activities at any school site are under the control of school authorities.
11. Any rules and regulations developed for the club organization must conform to the law, the Board of Education's policies and regulations, and the school site's policies and procedures.
12. All School Connected/Booster club members must be made aware that no individual should personally benefit from the organization's activities and this should be made part of the by-laws.
13. If a School Connected/Booster club dissolves or terminates, the club's constitution should provide for the distribution of any excess funds to another non-profit organization, the ASB or the District.
14. If a School Connected/Booster club decides to operate a bingo or raffle activity, California Penal Code Sections 320.5 and 326.5 regulate these events.
15. School Connected/Booster clubs' ability to use school facilities at K-12 districts is regulated by California Education Code 38130-38139, known as the Civic Center Act.

School Connected/Booster and parent organizations are not legal components of a school district. Each organization must have its own tax identification number, own bank account, and is directly responsible for compliance with IRS and state reporting and disclosure requirements. Donations to School Connected/Booster clubs can only be legally deducted if the club is officially approved by the IRS as a 501(c)(3) tax-exempt organization. Other restrictions apply and each donor should consult their own tax advisor. It is the organization's responsibility to be both knowledgeable and compliant with all state and federal laws.

School Connected/Booster and parent groups are encouraged to contact the Internal Revenue Service and the Franchise Tax Board in order to obtain a tax-exempt status for their organization. State and Federal forms and further information can be found at references in the Tax Information section.

This summary is intended as an overview only for School Connected/Booster club organizers. The following attached manual provides more in-depth information regarding the operation of a School Connected/Booster club. We recommend using it, as needed, for guidance of the rules and regulations affecting each School Connected/Booster club.

# Purpose of a School Connected/Booster Club

---

School Connected/Booster clubs are composed of parents, community members, and staff members coming together for the purpose of supporting specific school activities for the benefit of students such as athletic teams, debate teams, and musical groups, etc. They are an important means of connecting parents and other community members with the curricular and co-curricular activities of students, and the District Board of Education welcomes and encourages parental interest and participation.

School Connected/Booster clubs are separate from school districts with which they are associated and are not governed by Education Code. School Connected/Booster clubs do not have free access to schools and their students. The District Board of Education and administration have, and must maintain, exclusive control and management of its public school system.

## Formation of a School Connected/Booster Club

---

### **School Connected/Booster Club Approval**

In order to fulfill its legal and fiduciary requirements, the District or site designee must approve all School Connected/Booster clubs. All School Connected/Booster clubs are required to submit an application annually, whether new or continuing (if previously approved). Any request for approval must include a completed application with all required documents.

School Connected/Booster clubs are not permitted to operate until final approval is received from the school principal or site designee. Authorization shall be granted for a period of up to one fiscal year, beginning on July 1st and ending on June 30th, but may be revoked by the Superintendent or designee if considered necessary. Requests for continuing authorization must be presented annually.

Organization members and their board should be aware that no individual should personally benefit from the activities conducted by the organization.

### **Naming of the School Connected/Booster Club**

A School Connected/Booster club name may not imply any form of responsibility on the part of the District, school or ASB. A School Connected/Booster club creates and maintains its own identity. The name of the school is not allowed to be used in the name without the addition of the word “School Connected/Booster” attached to the name. School Connected/Booster clubs may not use the school or District address on its letterhead or for any other correspondence.

## **Tax Information**

School Connected/Booster clubs are not legal components of the school district and each club must have its own tax identification number. The District recommends filing for tax-exempt status as a 501(C)(3) Non-profit. This is required for donations to be legally deducted by donors. Individual donors should consult their own tax advisor for additional tax advice. All necessary forms are obtained through the Internal Revenue Service (IRS) and California Franchise Tax Board. State and Federal forms and further information can be found on the following Web sites:

### **Tax Identification Number**

IRS Form SS-4, “*Application for Employer Identification Number*”

Instructions: <http://www.irs.gov/pub/irs-pdf/iss4.pdf>

On-line application: <https://sa.www4.irs.gov/modiein/individual/index.jsp>

### **Tax-Exempt Status - Federal**

IRS Publication 557, “*Tax-Exempt Status for Your Organization*”

IRS Rules & Procedures: <http://www.irs.gov/pub/irs-pdf/p557.pdf>

IRS Form 1023, “*Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*”

Instructions: <http://www.irs.gov/pub/irs-pdf/i1023.pdf>

Application: <http://www.irs.gov/pub/irs-pdf/f1023.pdf>

***Note: Upon approval, the IRS will issue a determination letter that recognizes the School Connected/Booster club’s***

***501(c)(3) nonprofit, tax-exempt status. School Connected/Booster clubs cannot legally furnish donors with receipts for a charitable tax deductible donation unless they have obtained this type of official determination letter from the IRS.***

### **Tax-Exempt Status - State**

To apply for California tax-exempt status, use form FTB 3500, “*Exemption Application*” **or** FTB 3500A, “*Submission of Exemption Request*”

FTB 3500, “*Exemption Application*”

Application & Instructions: <http://www.ftb.ca.gov/forms/misc/3500bk.pdf>

FTB 3500A, “*Submission of Exemption Request*”

Application & Instructions: <http://www.ftb.ca.gov/forms/misc/3500a.pdf>

***Note: FTB 3500A can only be used by organizations that have a federal determination letter under Internal Revenue Code (IRC) Section 501(c)(3).***

Generally, an approved 501(c)(3) tax exempt organization is required to file the following with the Internal Revenue Service:

|                      |               |
|----------------------|---------------|
| 0 - \$50,000         | Form 990 - N  |
| \$50,000 - \$200,000 | Form 990 - EZ |
| Over \$200,000       | Form 990      |

California requires a postcard filing for earnings under \$25,000. Over \$25,000 requires a Form 199. All 501(c)(3)'s in California are required to register with the California Attorney General's office and annually file a form RRF-1.

Organizations not filing for 501(c)(3) status are not tax exempt and there can be no charitable contributions. They cannot hold themselves out as a tax exempt entity and are a taxable entity for Federal and State tax purposes.

Additional IRS tax information may be found at:

<http://www.irs.gov/charities/article/0,,id=96109,00.html>

### **Sales and Use Tax Laws & Obtaining a Seller's Permit**

School Connected/Booster clubs are not sales tax exempt, unless they have filled out the proper application forms from the California Franchise Tax Board. Organizations that have applied for and received a letter of exemption from sales tax do not have to pay sales and use tax when they buy, lease or rent taxable items that are necessary to the organization's exempt function. No item purchased tax-free by an exempt organization can be used for the personal benefit of a private party or other individual.

Any School Connected/Booster club planning to conduct fundraisers involving the sale of goods or merchandise must obtain a California seller's permit. This is true even if the sales are not taxable. This includes, but is not limited to, the operation of concession stands, and selling of school spirit clothing or other items. School Connected/Booster clubs may not use the seller's permit of another School Connected/Booster club or the District's sales permit number. Sales by a School Connected/Booster club are generally taxable.

For more information on obtaining a seller's permit, or on sales and use tax, you may contact the California Board of Equalization at [www.boe.ca.gov](http://www.boe.ca.gov) or call 1-800-400-7115. Information can also be found on the following web-sites:

Publication 73, "*Your California Seller's Permit*": <http://www.boe.ca.gov/pdf/pub73.pdf>

Publication 18, "*Nonprofit Organizations*": <http://www.boe.ca.gov/pdf/pub18.pdf>

## **Banking Information**

School Connected/Booster clubs must have their own bank account. Comingling of School Connected/Booster club funds and ASB funds is prohibited. To open a bank account, the School Connected/Booster club must first obtain an Employer Identification Number (EIN) from the IRS. (See Tax Information section above) The School Connected/Booster club shall use their official name on its checks and on its literature (refer to page 3 “Naming of the School Connected/Booster Club”).

It is suggested that at least two officers sign each disbursement for proper internal controls. All funds received should be receipted and deposited on a weekly basis. The treasurer should reconcile the bank statement monthly and prepare a monthly financial report to be reviewed and signed off by a second executive officer.

## **Insurance Requirements**

District liability for conduct and activities of an organization established for the purpose of supporting the district may be based upon the nature of the relationship between the two entities. That relationship may be contractual or based on the amount of District control or on the fact that the District is the beneficiary of the organization’s activities. Therefore, it is likely that a lawsuit based upon an activity of the organization will also name the District and seek a finding of joint liability. Whether the District is appropriately named or not, the District will incur legal expenses in defending the lawsuit.

The District requires School Connected/Booster clubs to provide a Certificate of Liability Insurance with the minimum required limits of coverage listed on the certificate and below:

|                    |                              |
|--------------------|------------------------------|
| General Liability: | \$1,000,000 (per occurrence) |
| Aggregate:         | \$2,000,000                  |

**It is additionally recommended that School Connected/Booster clubs maintain Crime Coverage or a Fidelity Insurance Bond in an amount enough to cover total School Connected/Booster cash assets.**

You may use any insurance company of your choice; however, the following are two websites that may provide assistance:

[www.School Connected/Boosterclubs.org](http://www.SchoolConnected/Boosterclubs.org)  
[www.aim-companies.com](http://www.aim-companies.com)

The certificate must indicate the Central Unified School District endorsed as “additional insured”, and have the name of the school in the description area. In addition to the Certificate of Insurance, the Endorsement Page (including the District named as an additional insured) will be required. Any questions relating to insurance requirements should be directed to the District’s Senior Accounting Manager.

When using school facilities, the District may, at its discretion, require a higher level of coverage based on the type of use requested, such as athletic activities and large events. The District may more effectively limit its exposure by adequately supervising and monitoring the activities of a School Connected/Booster club.

### **Limit of Liability**

The School Connected/Booster Club is not a school sponsored activity and participation in the Club or in Club activities is purely voluntary. School Connected/Booster clubs are separate from the District. School Connected/Booster clubs are not under the control of, nor are they the responsibility of, the school or District administration, or the Board of Education. School Connected/Booster club funds are not controlled by the District or students. Likewise, School Connected/Booster clubs will not be involved in the administering or supervising of the activities of student organizations. School Connected/Booster clubs should not cause others to believe it is in charge of or has any responsibility for school activities, especially within the sport or activity the School Connected/Booster club supports.

This manual establishes policies and procedures to be followed by School Connected/Booster clubs operating within the Central Unified School District. School site and District administration will advise School Connected/Booster clubs on management, policies and procedures, and may review and/or audit School Connected/Booster club's financial statements to ensure the club's financial integrity. However, the district assumes no accountability or liability for the operation and management of School Connected/Booster clubs. Any financial obligation incurred by a School Connected/Booster club shall be solely that of the School Connected/Booster club.

School Connected/Booster clubs are required to sign a hold harmless agreement as part of the School Connected/Booster application process.

# School Connected/Booster Club Organization

---

## Constitution and By-Laws

Minimally a constitution should include the following five elements:

1. Name and purpose of the organization.
2. Membership and Tenure.
  - a. Who can join?
  - b. How many members?
  - c. What officers?
  - d. Who has voting rights?
  - e. Will those who move from the school attendance area be allowed to serve their terms if desired?
  - f. What are the procedures for removing someone from office?
  - g. How long will they be allowed to serve?
  - h. Will they be allowed to serve consecutive terms? If so, how many?
  - i. How will unexpired terms be filled when vacancies occur?
  - j. Will leaves of absence be permitted?
3. Executive Board or Officers.
  - a. Positions and duties of each position defined
  - b. Position and term limitations (recommended not to serve for more than two consecutive fiscal years in any one position)
4. Method of amendments to the constitution.
  - a. By who
  - b. By petition of \_\_\_\_\_percent of members
  - c. By ballot
5. Adoptions or ratification of constitution and any subsequent amendments.
  - a. Shall require (percentage) vote of (Executive Board)

Minimally the by-laws should include the following six elements:

1. Duties and powers of Executive Board and Officers.
2. The composition and membership of committees.
3. Successions.
4. Elections and qualification for office.
5. Finances.
  - a. Statement of internal controls, authorization of financial activities
  - b. Who shall approve prior to any commitment
  - c. Statement determining distribution of assets upon dissolution; should align with framework of the organization original purpose.

6. Meeting schedule.
  - a. For regular and special sessions
  - b. Time, manner, frequency
  - c. What constitutes a quorum
  - d. Who shall conduct meetings

The bylaws could state that vacancies of elected officers are to be filled by the person with the next highest number of votes in the most recent election and that all replacement officers may only finish the term of the person replaced. Organizations may also want to define the procedures for resignation, e.g., a letter to the chairperson, and/or establish criteria for terminating officers who fail to attend meetings, e.g. missing two consecutive scheduled meetings without cause or proper notice to the chairperson.

## **Membership**

1. Parents, community members, and staff may be members of any School Connected/Booster club.
2. The principal or site designee shall maintain ongoing communication with the organization.
3. No fees can be collected as a condition of membership unless the School Connected/Booster club is a nationally recognized School Connected/Booster organization that requires fees at a national level.

## **Election of Officers**

The election of officers for a School Connected/Booster club should occur on an annual basis. At a minimum, they shall elect officers for the position of president, vice-president, secretary and treasurer. These officers will make up the executive board. Each member of the executive board is required to ensure the School Connected/Booster club procedures and operating practices are financially and legally sound, and in conformance with all rules, regulations, laws, ordinances and statutes applicable to the organization. As a member of the executive board, an individual is legally obligated to be prudent and reasonable in conducting himself to help preserve and protect the organization. Executive board members must actively participate in the management of the organization including attending meetings, evaluating reports and reading minutes.

Each officer is required to sign an acknowledgement form certifying the officer has read the *School Connected/Booster Club Manual*. Signed acknowledgement forms should be submitted, with the completed School Connected/Booster application, to the school principal or site designee before the first School Connected/Booster club activity of the school year. The acknowledgement form is located at the back of this manual.

## **President**

Typically, the president of a School Connected/Booster club is an individual who has previously been active in the organization. The major duties include, but are not limited to, the following:

1. Preside at all meetings of the organization.
2. Regularly meet with the designated campus representative regarding School Connected/Booster activities.
3. Resolve problems in the membership.
4. Regularly meet with the treasurer of the organization to review the organization's position. The financial information should be reviewed on a monthly basis.
5. Select an officer as the designee other than the treasurer to receive bank statements through the mail at their home address. This individual shall not be a signer on the account. Upon receipt, the designee should review the activity on the bank statement and canceled checks for reasonableness. This provides an independent review by an individual not associated with disbursement activity.
6. Schedule annual audit of records or request an audit if the need should arise during the year.
7. Submit annual financial statements to the school site administrator.

## **Vice-President**

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

1. Preside at meetings in the absence or inability of the president to serve.
2. Perform administrative functions delegated by the president.

## **Secretary**

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

1. Report on any recommendations made by the executive board of the School Connected/Booster club.
2. Maintain the records of the minutes and any standing committee rules, current membership and committee listing.
3. Record all business transacted at each meeting.
4. Maintain records of attendance of each member.
5. Conduct and report on all correspondence on behalf of the organization.

## **Treasurer**

The treasurer is the authorized custodian of the funds of the School Connected/Booster club. The treasurer receives and disburses all monies indicated in the budget or as authorized by action of the School Connected/Booster club. All persons authorized to handle funds of the School Connected/Booster club should be covered by a fidelity insurance bond in an amount based on the organization's annual income and determined by the executive board; the fidelity/crime insurance bond should cost under \$100. The major duties include, but are not limited to, the following:

1. Serve as chairperson of the Budget and Finance Committee, if prescribed.
2. Issue a receipt of monies received and deposit said amounts on a weekly basis (daily if receipts on hand exceed \$250.00).
3. Prepare a current financial report including bank statements, bank reconciliations, and financial statements within thirty (30) days of the previous month end. Copies should be available for review by the general membership.
4. File current financial reports at the end of each semester (December and June) with the executive board.
5. Maintain accurate and detailed account of all monies received and disbursed.
6. File sales tax reports as required by the State Controller's office (monthly, quarterly, or annually).
7. File annual IRS form 1099 in a timely manner. (See "Consultants" section)
8. Submit records to the audit committee appointed by the organization upon request or at the end of the year.

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

## **Audit Committee**

At the end of the fiscal year, an audit of the School Connected/Booster club's financial records should be conducted. The audit should be performed by individuals who are independent from day-to-day financial activities. Ideally, this audit should be performed by a group of three individuals; however, if the membership size does not allow, the audit may be performed by two individuals. The audit committee shall make a report to the general membership upon completion of the audit. Any discrepancies noted shall be brought to the attention of the president of the organization and a resolution reached prior to presentation. All officers of the organization shall make records available, as requested by the committee. As an alternative to an audit committee, an audit may be conducted by an outside party, such as a CPA.

## **Standards for Meetings**

Notice of all meetings should be provided to the school's activities office to be published seventy-two (72) hours prior to the meeting date. The notice should clearly indicate the date and time of the meeting and the items to be discussed. The School Connected/Booster club may use school facilities only with prior approval of the principal or site designee.

## **Dissolution of School Connected/Booster Clubs**

To dissolve a School Connected/Booster club, a resolution shall be adopted by the School Connected/Booster organization (or the executive board, if the organization is inactive) stating that the question of such a dissolution be submitted to a vote at a special meeting of the members having voting rights. At least fourteen (14) days prior to the meeting, written or printed notice shall be given to activities/athletics office stating that the purpose of such meeting is to consider the advisability of dissolving the organization. The School Connected/Booster club must determine the distribution and usage of treasury monies and other assets before dissolution. In order to comply with Internal Revenue Service guidelines, care should be taken to ensure that excess funds are distributed within the framework of the organization's original purpose –i.e. band School Connected/Booster funds would remain with the musical program at that particular campus. Any other distribution of funds could void the organization's tax exempt status and force it into a fully taxable situation. This must be noted in the School Connected/Booster club bylaws.

**The District, principal, or site designee reserves the right to revocation of any School Connected/Booster club with cause.**

# Operating Procedures

---

## **Purchases for Schools**

School Connected/Booster clubs by nature are designed to assist the school and/or ASB, and assistance may come in the form of donations such as cash, supplies, equipment and transportation. Donations to the school shall be processed in accordance with board approved policies and procedures. Donations to the ASB or an ASB club will be accepted by the ASB's student council. Donations to a school or the District will be accepted/approved by the Board of Education of the District.

When a School Connected/Booster club wishes to give the ASB or one of its clubs money for supplies or equipment, the School Connected/Booster club will first donate the funds. In making the donation, the School Connected/Booster club should clearly indicate the purpose of the donation. The purchase will then be carried out through the District's purchasing system by an authorized agent of the District and in accordance with District purchasing guidelines and statutory laws. It is recommended that all purchases of equipment for District use be made by the District through donations to adhere to District standards. When supplies or equipment is purchased from donated funds, it becomes the property of the school and District. All equipment and supplies purchased for a school must be shipped to a school district address. A School Connected/Booster club address will not be used for purchases for schools made from donated funds.

A School Connected/Booster club may also donate funds to the ASB or the school for transporting students to events. A field trip request form will be completed by the school in conjunction with the event. The District's Business Services office will invoice the School Connected/Booster club for the cost of the transportation. In no event will a School Connected/Booster club be permitted to remit payment directly to the transportation department, nor will they be permitted to contract for transportation by an outside agency.

## **Purchases for the School Connected/Booster Club**

Purchases for the School Connected/Booster club will be processed as disbursements directly from School Connected/Booster club funds. This includes purchases of supplies or equipment as it relates to the day-to-day operation of the School Connected/Booster club, as well as purchases necessary to conduct a fundraiser. As an example, if a School Connected/Booster club is running a concession stand, they would purchase the items to be sold from School Connected/Booster funds.

School Connected/Booster clubs are not eligible for the same special or discounted pricing as received or negotiated by the District, nor can a School Connected/Booster club make purchases under a District contract. School Connected/Booster clubs may however negotiate their own pricing or contracts from vendors of their choice. Neither the ASB nor the District is permitted to make purchases for or on behalf of a School Connected/Booster club. This includes purchases for fundraisers. Items necessary for a fundraiser may not be purchased through the ASB, even if the School Connected/Booster club provides the funding for the purchase. This would be considered comingling of funds and is strictly prohibited.

## **Hiring Request and Payment of Salaries**

School Connected/Booster clubs may wish to pay for additional “District employees” to assist with school sports and/or activities. With advanced approval from the principal or site designee and Human Resources, this is allowable for a School Connected/Booster club to do. If a School Connected/Booster club plans to pay for these additional services, the procedure is as follows:

### **Hiring Request (District Employees and Volunteers)**

1. School Connected/Booster club shall obtain approval from the principal or site designee for the type of position desired.
2. Upon approval, the site will contact Human Resources (HR) for approval and to initiate the employment clearance process.
3. HR will begin the clearance process, (CUSD Employment/Volunteer Authorization Form), and notify the school when clearance is complete.
4. The school site administrator will provide final authorization to begin work.

*At their discretion, employees may volunteer to perform activities for School Connected/Booster clubs during non-working hours.*

### **Approval for Payment of Salaries (District Employees)**

1. The school site will submit a completed Request for Personnel (RFP) to HR.
2. HR will obtain approval by the District Board of Education.
3. Upon Board approval, HR will provide notification to school site, District Payroll and Accounts Receivable, including creation of the contract for coaches.
4. School site will returned signed copies of the contract to HR.

### **Payment of Salaries & Billing**

1. Salary payment will be processed via District Payroll after:
  - receipt of the approved Personnel Requisition
  - receipt of the signed contract
  - the contract end date
2. The District will provide ASB an invoice for the salary payment, including associated fixed costs.
3. The School Connected/Booster club will donate the cost of salaries to ASB.
4. ASB will process and submit payment to the District.

## Consultants/Independent Contractors

In the course of ordinary business, consultants may be hired to assist with various projects or presentations that may be needed. School Connected/Booster clubs should be aware of the regulations that must be followed.

*If someone is not already an employee of the school district, a determination must be made as to whether that person legally is considered an employee or an independent contractor under the IRS regulations. Independent contractors frequently are called consultants within the school district community. If it is determined a person is a consultant, a completed W-9 is required prior to payment for services. Please reference IRS 1099 reporting requirements for consultants. (See page 24 of the CUSD School Connected/Booster Club Manual)*

## Determining an Employee vs. Consultant/Independent Contractor

The following are **IRS guidelines** for making the distinction between employee and consultant/independent contractor. **If the answer to any of these questions is YES, then the School Connected/Booster club should classify the worker as an employee, and follow the above procedures for hiring requests and payment of salaries.**

1. Does the School Connected/Booster club provide the worker with instructions for when, where, and how to do the work? The following are all examples of types of instructions of how to do work and imply either independent determination by consultant or dependent status of employee:
  - a. When and where to do the work.
  - b. What tools or equipment to use.
  - c. What workers to hire to assist with the work.
  - d. Where to purchase supplies and services.
  - e. What work must be performed by specified individuals.
  - f. What order or sequence to follow.
2. Does the School Connected/Booster club provide the training for the worker? Consultants ordinarily use their own methods.
3. Does the worker realize a profit or loss? A consultant can make a profit or loss; an employee would not.
4. Is the worker's service a vital part of the School Connected/Booster club operations? If a worker provides services that are a key aspect of the regular business activity, it is more likely that the employer has the right to direct and control their activities, indicating an employer-employee relationship.

5. Does the worker perform services for the School Connected/Booster club regularly and continually? If a worker is engaged with the expectation that the relationship will continue indefinitely, rather than for a specific project or period, this is generally considered evidence that the intent is to create an employer-employee relationship.
6. Is the worker guaranteed a regular wage amount per hour, week or other period of time? Employees are generally guaranteed a regular wage per a given period of time; consultants are usually paid a flat fee for a job.
7. Does the worker make their services available to the market? Consultants usually are free to seek out business opportunities; they often advertise, maintaining a visible business location and are available to work in the market.
8. Is the worker reimbursed for business and travel expenses? Contractors are more likely to have unreimbursed expenses than are employees.
9. Does the School Connected/Booster club provide the equipment and tools for the worker? Contractors often have a significant investment in the tools they use to perform services for someone else.

## **Use of School Facilities**

The school principal or site designee must approve on-campus activities, including meeting times, places, dates, and fundraisers. On-campus activities cannot conflict with school schedules, school activities, or district policies, which all take precedence over School Connected/Booster club activities.

Should your organization require and/or desire the use of District facilities (for a meeting or other purpose), please visit your school website or school office and pick up the District's "Application for Facility Use Request" form. Generally this form should be submitted one month before the intended activity. Additional insurance and fees may be required.

**The sale, purchase or consumption of alcoholic beverages or tobacco products while on school property or in the presence of students is specifically prohibited.**

## **Gifts and Awards**

Student and parent gifts to school district employees are an expression of appreciation for coaching, directing, or sponsoring student activities, rather than a gift of significant monetary value. Employees shall in no way encourage students, parents, or support groups to present gifts. School Connected/Booster clubs should not give anything (including awards) to students without prior approval from school's coach/advisor.

## **Relationship and Interaction with District Personnel**

The School Connected/Booster club must not be used to attempt to influence the sponsor's, principal's or other administrator's decisions or be a lobbying group concerning matters which are duties assigned to district personnel, such as trips, staffing, and schedules. Additionally, they will not be involved in the direction of a coach or advisor, personnel issues, scheduling of contests, rules of participation, or policy making activities for a student group or extracurricular program. These administrative duties are the sole responsibility of the school and District administration.

## **Other Requirements**

- School Connected/Booster club members are expected to follow the same standards of conduct as District employees when chaperoning, sponsoring, or attending student activities.
- All publications and communications that School Connected/Booster clubs send to parents and/or the community should be provided to the school site designee and the Public Information Director before distribution. Once approved then distribution can commence.
- School Connected/Booster clubs shall not directly support political activities by providing campaign donations or placing advertisements in support of a particular candidate as doing so could jeopardize the tax exempt status of the organization. If a candidate is running for office and is invited to join a meeting, all candidates running for the office must be extended an invitation to the meeting.

# Fundraising

---

In accordance with Education Code Section 51521, programs, fundraisers or other activities sponsored by School Connected/Booster clubs must be authorized and conducted according to local board policy, laws, and school rules.

At the beginning of each school year, each School Connected/Booster club shall submit to the principal or site designee a list of tentative fundraising events that each organization proposes to hold that year. Amendments to the scheduled fundraising events should be submitted three weeks prior to the event. The principal or site designee shall review the proposed events and determine whether the events are in conflict with or detract from the school's educational program. No fundraising activities can begin until the School Connected/Booster club obtains approval from the principal or site designee.

The following are guidelines for School Connected/Booster club fundraising activities within the Central Unified

School District:

1. A Use of Facilities request must be pre-approved at the site level prior to the submission of a fundraising request. Attach a copy of the approved facilities request form to the fundraising request.
2. Students shall not be involved in fundraising activities except as volunteers after school hours and/or off campus for the School Connected/Booster organization.
3. All School Connected/Booster funds are collected and maintained by the organization. The District or ASB tax identification number cannot be used. No School Connected/Booster funds shall be kept in ASB accounts.
4. No coercion should be exercised in fundraising activities and no student or teacher is required to raise any particular minimum of money or sell any minimum number of tickets, etc. Under no circumstances should pressure be brought to bear on students through competition or by special recognition of sales.

Funds received from School Connected/Booster club fundraising activities are used to benefit the student group and school in an appropriate way. Fundraising projects for parental groups should be:

1. For the educational benefit of the student group, coordinated through the principal or site designee.
2. For a specific project, as identified in the current approved budget.
3. In connection with the established goals and philosophies of the School Connected/Booster club as well as Central Unified School District guidelines.
4. *For the benefit of the student program that the School Connected/Booster club supports.* The use of individual student accounts or tracking of student accounts is not allowed.

Education Code section 51520 states:

*51520. (a) During school hours, and within one hour before the time of opening and within one hour after the time of closing of school, pupils of the public school shall not be solicited on school premises by teachers or others to subscribe or contribute to the funds of, to become members of, or to work for, any organization not directly under the control of the school authorities, unless the organization is a nonpartisan, charitable organization organized for charitable purposes by an act of Congress or under the laws of the state, the purpose of the solicitation is nonpartisan and charitable, and the solicitation has been approved by the county board of education or by the governing board of the school district in which the school is located.*

On-campus activities, especially fundraisers, should not supplant, duplicate, nor interfere with those of the school or other School Connected/Booster clubs. The principal or site designee has the authority to limit the number or type of on-campus fundraisers.

### **School-Connected Food Sales**

School Connected/Booster clubs must comply with Federal and State law as well as district policies and regulations on the sale of food on school premises. School Connected/Booster clubs are encouraged to review and become knowledgeable of applicable laws including county food handling requirements, Federal and State nutritional standards, as well as the District's Wellness Policy. School Connected/Booster clubs are one of the organizations that the district can authorize to operate the concession stands at sporting events in order to raise funds for the organization; however, the ASB is given first priority. Be aware that snack bars are subject to inspection by the County Health Department at any time.

### **Bingos, Raffles and Auctions**

Penal Code Sections 320.5 (raffles), 319 and 326.5 (bingos), authorize, under defined circumstances, eligible organizations to conduct raffles and bingos. While it is not permissible for school districts, individual schools or ASB's to conduct raffles, nonprofit groups such as School Connected/Booster clubs, are allowed to conduct raffles and bingos *as long as the group is tax-exempt in accordance with Revenue and Taxation Code 23701(d) and has been licensed to do business in California for at least one year.*

### **Bingos**

Certain tax-exempt organizations are authorized by state law and local ordinance to raise money from bingo, provided that: (1) the proceeds are used only for charitable purposes, (2) the games are conducted by volunteer members of the organizations, (3) no salaries are paid with bingo proceeds, (4) there is no commingling of bingo money with any other funds, (5) the organization conducting bingo holds a valid license issued by the city or county in which bingo is played.

Please note the important restrictions on bingos:

- Minors (under the age of 18) are not allowed to participate in any bingo game.
- Only the members of the authorized organization can conduct, operate, or participate in the promotion, supervision, or any other phase of the bingo game.

## **Raffles**

Raffles conducted by nonprofit organizations for charitable purposes are lawful under California law which took effect in 2001 (Penal Code 320.5). Ninety percent of raffle revenue must be used for a charitable purpose or program. Charitable organizations must register with the Attorney General's Registry of Charitable Trusts prior to conducting a raffle and must annually report the results of any raffles conducted. Registration and reporting forms may be obtained from the Registry of Charitable Trusts by mail or from the Charitable Trusts website.

Please note the important restrictions on raffles:

- At least 90% of the gross receipts of the raffle must be distributed to provide support for a beneficial or charitable purpose.
- Detachable tickets must have identifying numbers.
- Only adults (over the age of 18) may supervise the drawing.
- The raffle may not be conducted over the Internet.

Information on how to conduct a legal raffle can be obtained by going to the California Attorney General's Web site at <http://oag.ca.gov>. Before the group can conduct the raffle, it must register with the Department of Justice and complete the annual raffle registration form at [http://oag.ca.gov/sites/all/files/agweb/pdfs/charities/raffle/ct\\_nrp\\_1.pdf](http://oag.ca.gov/sites/all/files/agweb/pdfs/charities/raffle/ct_nrp_1.pdf) by September 1 of the year in which the raffle will be held. On an annual basis, the group is required to submit a report to the Department of Justice that includes the gross receipts and expenses incurred from the operation of the raffle, as well as the charitable or beneficial purposes for which the proceeds were used.

## **Auctions**

An auction, on the other hand, is a group of items that have been donated or purchased that are then "sold" in a silent auction to generate donations for a specified group or activity. An auction held on a Saturday, conducted by a School Connected/Booster club with the sole purpose of raising donations for the school, would be acceptable as a fundraiser. Both parents and students would be able to bid on the items, since it would not occur during school hours, and is not considered gambling. However, when a school is working with an organization, the community perceives that the funds raised will be used towards supporting school functions. Care must be taken by all involved that the donations received are used in the manner represented by the organization conducting the fundraiser.

# Financial Procedures

---

## **Budgets and Budget Management**

A budget should be developed at the beginning of the year to project expected revenues and expenses and should be revised as needed. Budgets are usually prepared for a one-year period and include the annual goals and a plan for achieving those goals by deciding the following:

Estimated revenues - What fundraisers will be held?

Estimated expenses - What will be the cost to conduct the fundraisers?

Estimated ending reserves and carryover - Is there enough left over to accomplish the goals that have been outlined?

Budget monitoring is also necessary. This is the process of comparing the budget to the actual revenues and expenses at a point in time to determine whether the revenues are coming in as expected and that the expenses are not exceeding the amounts authorized in the budget. This should be done at least monthly so that there is adequate time to adjust plans. If the budget is not meeting expectations because of lower than projected revenue or higher than projected expenses, School Connected/Booster clubs should revise the budget.

## **Financial Reporting to the Membership**

At a minimum, the organization's membership *should* be provided with a financial statement and bank reconciliation at the end of each semester, monthly copies should be available for review. The financial statement should provide a comparison of budgeted versus actual expenditures and receipts. Cash receipts and disbursement reports should be available for review when needed and at the annual audit.

## **Financial Reporting to the District/School Site**

School Connected/Booster clubs are required to submit to end-of-year financial statements to the School Connected/Booster organization and school site. Submit a copy of annual financial statements to the principal or site designee at the end of the fiscal year (and mid-year financial statements upon request).

## **Cash Receipts**

All cash collections received by the School Connected/Booster club for fees, dues, fundraising, etc. must be deposited in total and in a timely manner. All funds must be supported by some type of record documenting the source and amount of funds. Such documentation should be readily available for audit purposes.

## **Disbursement of Funds**

At the outset of the school year, a budget of anticipated expenditures should be developed. Prior to a disbursement, the request to expend funds should be compared with the budgeted expenditures. Disbursements outside the scope of the budget or line items that exceed the approved budget should require a vote by the general membership. Direct payments to District employees are not permitted uses of School Connected/Booster funds, nor are the purchase of alcoholic beverages or tobacco products.

Approval should be obtained for all expenditures regardless of the amount; it is recommended this be written using a disbursement voucher. The appropriate supporting documentation (invoices, receipts) should then be attached to the disbursement form and filed in check number order. At no time should a check be issued without the appropriate supporting documentation.

## **Petty Cash**

Each School Connected/Booster club may maintain a small petty cash account. Strict controls must be maintained by keeping petty cash in a locked box accessible by only the treasurer and one other officer. Control of the petty cash account by a District employee is not allowed. The petty cash funds should be used for emergency purchases only. All other purchases should be made with a School Connected/Booster club check.

Upon disbursement through the petty cash account, a receipt for the purchase should be retained. At any given time, the amount of petty cash remaining and the aggregate total of receipts on hand should equal the amount of the established petty cash account.

## **Bank Deposits**

It is recommended that deposits be made daily, if the total receipts on hand exceed \$250.00. All money must be deposited prior to holidays and weekends. To ensure the integrity of financial reporting, common deposit practices include:

- Separate all currency and coins by denomination and carefully count and record it in the appropriate section of the bank deposit form.
- A tape may be run of any checks included in the deposit rather than indicating the checks individually on the deposit slip. A copy of the tape should be retained with your copy of the deposit records.
- Total the deposit slip.
- Deposited receipts must be grouped together in consecutive sequence to assure all are received. Multiple receipt books should be grouped separately to provide adequate audit trails.
- Tally the pre-numbered cash receipts and make certain this receipt total matches the deposit total.
- Attach the cash receipt summary documents with a copy of the deposit slip and file in deposit date order.
- For large deposits, have another individual independently count the deposit and verify the amount has been correctly recorded on the deposit slip.
- Both individuals should initial the deposit slip.
- Seal the deposit in a deposit bag in the presence of the second individual. This is called dual control and places the organization in a better position to challenge any claim that the bank may make that the deposit received was not correct.

## **Bank Reconciliation**

Upon receipt of the monthly bank statement, the balance indicated on the statement shall be reconciled to the bank account balance in the general ledger as of the last day of the month. The reconciliation should be completed within thirty (30) days of the date of the bank statement. Items that are needed for reconciliation are listed below:

- Bank reconciliation form
- Prior month's bank reconciliation
- Bank statement
- Check register and/or cash disbursement journal
- Cash receipts journal
- General Ledger

## Internal Controls

School Connected/Booster clubs are responsible for ensuring that proper internal controls exist for all of their financial activities. Internal controls are the foundation of sound financial management. They include the policies and procedures that an organization establishes to do the following:

- Ensure that operations are effective and efficient
- Safeguard and preserve the organization's assets
- Promote successful fundraising ventures
- Protect against improper fund disbursements
- Ensure that unauthorized obligations cannot be incurred
- Provide reliable financial information
- Reduce the risk of fraud and abuse
- Protect members and volunteers
- Ensure compliance with applicable laws and regulations
- Maintain an accurate inventory of all goods

It is critical to establish good policies and procedures relative to internal controls. Internal controls not only protect assets such as money and equipment, they also protect people. For example, establishing good internal controls for fundraising events significantly reduces the risk that anyone participating in the event will be accused of any impropriety. Internal controls include segregating duties according to members' functions so that one person is not handling a transaction from beginning to end. This is a critical part of a system of checks and balances. Functions that need to be segregated include the following:

- Those who initiate, authorize or approve transactions
- Those who execute the transactions
- Those who record the transaction
- Those who reconcile the transaction

## 1099 Requirements

Internal Revenue Service guidelines require that all payments for services in excess of \$600.00 made to a vendor or an individual by a School Connected/Booster club be reported on a form 1099 on an annual basis. The School Connected/Booster club should secure an IRS form W-9 from the provider at the time of service to ensure the organization has an accurate record of the taxpayer identification number. The organization must then issue a form 1099 to all qualifying vendors for services performed in a calendar year by January 31 of the subsequent calendar year.

## **Annual Audit Requirements**

An audit is an examination of the financial records of the School Connected/Booster club. It assures that all income and expenditures are accounted for and consistent with the budget and goals for the year. It also verifies that the bank balance and ledger balance are reconciled. The audit is to protect the School Connected/Booster club officers and the organization.

An audit should be conducted at the end of the fiscal year, when there is a change in treasurer, and when there is a change in any officer who signs School Connected/Booster club checks.

An audit may be conducted by an outside party, such as a CPA or an audit committee. The audit committee should be comprised of at least two members of the School Connected/Booster club (not the president or treasurer).

Audit procedures for the audit committee are as follows:

1. Review reconciled bank statements and canceled checks to determine that:
  - a. Disbursements have been properly documented with an invoice or receipt.
  - b. Disbursements have been properly approved.
  - c. Checks have been properly signed.
  - d. Checks have been deposited or cashed by the payee indicated.
  - e. Checks have been accounted for in the proper sequence (no missing checks).
2. Check addition and subtraction on cash receipts and deposits.
3. Compare cash receipts and deposits to the bank statement.
4. Verify that receipts and disbursements were allocated to the correct account or budget category.
5. Verify that income from sales, dues, or any other sources have appropriate backup. The total amount collected should match the amount deposited into the bank account.
6. Review the treasurer's monthly reports and check them for accuracy. Review the beginning and ending balances on reports to verify that correct ending balances were carried forward as beginning balances on subsequent reports.
7. Determine that only applicable School Connected/Booster club officers are authorized signers on bank account(s). Former officers should not remain on the account(s) as authorized signers. In addition, the faculty sponsor shall not be an authorized signer on the account.
8. Obtain proof that all applicable sales taxes were paid.
9. The audited financial report should be signed by all members of the audit committee and submitted to the principal or site designee (upon completion, when applicable) or following the end of the fiscal year.
10. Verify that 1099s were issued, if applicable.

## **Retention of Records**

Since voluntary organizations often suffer from the constant 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. Listed below are documents that should be retained by the organization for a minimum of 4 years.

- Cash receipts
- Cash disbursements and general ledger
- Bank records
- Income tax returns
- Minutes of meetings as defined by the organization by-laws

## **GENERAL DO'S AND DON'TS OF SCHOOL CONNECTED/BOOSTER CLUBS**

### **What to do:**

- Obtain tax identification number and tax-exempt status, if applicable.
- Open financial account under the aforementioned criteria. Maintain records for continued status.
- Create a logo and name to be used. School and district logos shall not be used without specific authorization of the Superintendent or District designee; School Connected/Booster clubs have their own identity.
- Raise funds by using adult membership. Special projects may include students who volunteer.
- Maintain relationship with site personnel for input of needs.
- Donate all purchases to the school district in accordance with District policy.
- Donate funds to ASB accounts for specific student teams/groups.
- Consult District maintenance department prior to purchasing items that require installation or involve site or building improvements
- Consult business division prior to purchasing goods or services that require on-going maintenance contracts.

### **What NOT to do:**

- Conduct fundraiser activities that require a student to participate.
- Co-mingle School Connected/Booster clubs funds with ASB funds.
- Represent School Connected/Booster clubs activities as those of the Central Unified School District or one of its schools.

## QUESTIONS & ANSWERS

### A. Purpose of a School Connected/Booster

**A1. Please clarify the difference between a School Connected/Booster club and ASB.**

*School Connected/Booster clubs are parent organizations run by adults with all decisions as to activities, money handling, and spending done by the members and executive board of each organization.*

*ASBs are district sponsored organizations located at school sites. Decisions are made by student council with approval by the Principal.*

**A2. If we are not a School Connected/Booster club, does everything go through ASB?**

*It is recommended that the parent group work in conjunction with the school site ASB for fundraising events. Please be aware, parent groups that opt to not work in conjunction with ASB, are responsible for any tax ramifications on revenues earned.*

**A3. Does CUSD prefer or recommend a parent group be a separate School Connected/Booster club or be a parent group under the direction and responsibility of the school?**

*All School Connected/Booster clubs and parent groups are distinct and separate entities from the district. The district certainly welcomes parent volunteers; contact the ASB Advisor at your school site to assist as a parent volunteer with ASB activities.*

## **B. Formation of a School Connected/Booster Club**

### **B1. Where does the completed School Connected/Booster application get turned in?**

*The Activities Director or ASB Advisor at your school site.*

### **B2. Is contact information only required for the Executive Officer positions listed on the School Connected/Booster Application?**

*Yes, contact information is only required for those positions listed on the application.*

### **B3. Who approves the School Connected/Booster club? Who approves the ASB?**

*School Connected/Booster club applications are approved at the school site. ASB clubs are approved by ASB Student Council.*

### **B4. What is the deadline for submitting the School Connected/Booster application to the school?**

*Approval must be obtained before any School Connected/Booster club activities occur. If summer activities are planned, then approval needs to be secured before the end of the school year.*

### **B5. How is the School Connected/Booster club acknowledged by the District?**

*School Connected/Booster clubs are required to submit an application each year to the school site. The school site will notify the School Connected/Booster club once their application has been approved or if more information is required prior to approval.*

### **B6. Where do I get the applications at the end of the school year to re-apply for the new school year?**

*Applications can be obtained from the school site or from the District's webpage, under "Quick Links"; "School Connected/Booster Organizations". A sample School Connected/Booster club application is located in the back of the 2015-16 School Connected/Booster Club Manual.*

### **B7. Is every club on campus required to have a School Connected/Booster club (e.g., chess club, Red Cross)?**

*No. ASB clubs can operate effectively without a School Connected/Booster club.*

### **B8. Can the School Connected/Booster club use the school's logo?**

*No. School Connected/Booster clubs are separate and distinct entities. They need their own identifying logo.*

**B9. How is a School Connected/Booster club supposed to stay separate from the school when representing our organization?**

*School Connected/Booster clubs should have their own identifying logo. It is extremely important that School Connected/Booster clubs and ASBs are identified as separate organizations.*

**B10. How difficult is it to become a 501(c)(3) organization?**

*This question is best answered by the Internal Revenue Service.*

**B11. The School Connected/Booster club has received our EIN but are we required to complete IRS form 1023 as well?**

*IRS is your best source for this answer. The School Connected/Booster Club Manual has contact information that may help.*

**B12. If the process is up to 12 months to get 501(c)(3) recognition from the IRS; do we begin operating as a School Connected/Booster club now or can we start next year and just be parents raising money for the team?**

*501(c)(3) status is only a recommendation to legally allow donations from an individual to be tax-deductible. An official School Connected/Booster club would be eligible to apply for tax-deductible donation collection status. A parent group is not eligible. A parent group may request to fundraise in conjunction with the school site ASB.*

**B13. Where does a School Connected/Booster club obtain a seller's permit?**

*The California Franchise Tax Board issues seller's permits. Page 5 of the School Connected/Booster Club Manual provides information.*

**B14. Is there a certain guideline for a seller's permit? Would a seller's permit be required to operate a snack bar or sell t-shirts?**

*This question is best answered by the California State Board of Equalization.*

**B15. Does the School Connected/Booster club need a seller's permit for a business that already has one?**

*School Connected/Booster clubs are separate entities. If a seller's permit is required they would need to have their own. They cannot use someone else's seller's permit.*

**B16. Can the insurance just indicate the school as "additional insured" instead of CUSD?**

*No. Central Unified School District needs to be listed as the additional insured on all Certificates of Insurance.*

**B17. Does CUSD provide insurance for events held at school facilities?**

*School Connected/Booster clubs are required to hold insurance coverage with the Central Unified School District listed as an additional insured. The minimum required limits of coverage are listed on page 6 of the 2015-16 School Connected/Booster Club Manual.*

**B18. I do not have a School Connected/Booster club for my team. I do everything and I am the treasurer. Do I need liability insurance, tax 501(c)(3), and a bank account?**

*Yes. Under the conditions you describe you are not a School Connected/Booster club. Moneys you collect could be considered income to you by the IRS. Contact the ASB Advisor at your school site to determine how your activities can be transitioned to the ASB.*

**B19. How does a team stay functioning if the parents decide they cannot meet these standards and have a School Connected/Booster club?**

*ASB clubs are formed to support student activities. ASBs can conduct fundraising events.*

### **C. School Connected/Booster Club Organization**

- C1. Where can the School Connected/Booster club obtain examples of bylaws and constitutions?**

*There is a sample Constitution & Bylaws used by ASBs in the FCMAT ASB Manual available at [www.fcmat.org](http://www.fcmat.org). It might provide a structure for creating one for your School Connected/Booster club. Another School Connected/Booster club at your school site might provide a copy of their Constitution & Bylaws.*

- C2. Are Constitution & Bylaws one document or are they separate documents? Can they be combined into one document if all requirements are satisfied?**

*Yes. The Constitution & Bylaws can be combined into one document as long as there is a section identified as bylaws.*

- C3. Are School Connected/Booster clubs required to provide members (parents) a copy of their Constitution & Bylaws if requested?**

*Yes, as a member of a School Connected/Booster club, each individual should be able to obtain what would be considered to be public records. An organization's Constitutions & Bylaws certainly fall into that category. The Constitutions & Bylaws should be discussed at meetings.*

- C4. Can the executive board determine how long a parent can attend a meeting? Can executive board members hold a meeting behind closed doors?**

*There should be both executive board and general meetings. General meetings are open to all members. Executive meetings would be closed to members. The length of time at meetings would depend on the timeline of the published agenda.*

- C5. How long can minutes be enforced?**

*Unless a specific timeline is included in the minutes, the decision recorded would be valid for the school year.*

- C6. How many board members does a School Connected/Booster club need?**

*Your School Connected/Booster club Constitution & Bylaws will outline the number of board members and their duties.*

- C7. Can an alumni become a School Connected/Booster member or an officer of a School Connected/Booster club?**

*The membership requirements should be outlined in the Constitutions and/or Bylaws.*

**C8. Is there an age requirement for School Connected/Booster member or officer?**

*School Connected/Booster clubs are adult organizations. As long as the person is legally an adult and eligible under other criteria set by the Constitution and/or Bylaws, they can be a School Connected/Booster club member or officer. Limitations will exist if the person is not of legal age to participate in a fundraising event such as games of chance or bingos.*

**C9. Are teachers involved in School Connected/Booster meetings and fundraising?**

*District employees are not allowed to be in a decision-making capacity for a School Connected/Booster club at their own school site. An employee can be a member of the School Connected/Booster club and be an adult volunteer at a fundraising activity.*

**C10. Does a district employee have voting rights as a member?**

*District employee may vote as long as it is for a School Connected/Booster club that is not affiliated with the school site at which the employee works.*

**C11. What is the role of the coaching staff as it pertains to the School Connected/Booster club?**

*Coaches should be working cooperatively with their School Connected/Booster club. Needs of the team or student groups should be communicated. Coaches should have no leadership or decision-making responsibilities for a School Connected/Booster club at their own school site.*

**C12. Are CUSD employees allowed to be a School Connected/Booster officer?**

*Yes, with specific approval from the district and as long as it is not at the same site at which they work. Employees located at the same site as the School Connected/Booster club are prohibited from serving on the Executive Board.*

**C13. Is an audit committee recommended?**

*Yes. It is always a good idea to have independent individuals review the financial transactions and decisions of the Executive Council.*

**C14. Can a School Connected/Booster officer be part of the audit committee?**

*No one who has decision making abilities within the School Connected/Booster club organization should serve on the audit committee.*

**C15. If a School Connected/Booster club dissolves and records are kept for 4 years, who keeps the records if and when it is dissolved? The records will include personal information of a parent.**

*You will need to check with the Internal Revenue Service to determine record retention requirements.*

**C16. Our School Connected/Booster club is likely to dissolve. Who do we talk to at the school about the ASB taking over so the team continues to function?**

*The ASB Advisor at your school site should be your first contact. If not available, contact the Principal.*

## **D. Operating Procedures**

### **D1. Can a School Connected/Booster club deposit to ASB be allocated for a particular expense?**

*Donations made to ASB can be directed to a specific club or even a specific purpose. It cannot be directed to a specific student. The purpose of the donation needs to be a legal ASB expenditure and approved by the ASB student council.*

### **D2. Are School Connected/Booster clubs responsible for specific purchases such as the trophy case or CIF banners?**

*No. While many School Connected/Booster clubs show their support in this manner, there is no “requirement” to make this purchase. This would be a local decision made by the School Connected/Booster club. That is certainly one example of how a School Connected/Booster club can provide their support and meet their 501(c)(3) goals.*

### **D3. Can a School Connected/Booster club provide a “scholarship” to a student to help pay costs for entering a tournament? The student would otherwise be unable to play.**

*No. No individual student should benefit from decisions made by the School Connected/Booster club. The original charter of the School Connected/Booster club and State of California non-profit and incorporation documents should be reviewed as to requirements.*

### **D4. Can the School Connected/Booster club donate to the ASB fund to upgrade what the school intends to purchase (e.g., upgrading the wrestling mats)?**

*Yes, as long as the district’s Purchasing Department and the school site agrees to the upgraded item.*

### **D5. If I buy team supplies and equipment and notify ASB so they can approve it and “recognize” my donation, does ASB have to approve the purchase and accept the donation?**

*If the School Connected/Booster club makes a purchase AND the ASB does not accept the donation, the items are returned to the School Connected/Booster club.*

### **D6. Can you please explain the difference between “co-mingling” funds with ASB and making donations to the ASB account for club/team purchases?**

*The “co-mingling” restriction has to do with money. ASB money cannot be deposited into School Connected/Booster club accounts. School Connected/Booster club money cannot be deposited into ASB accounts. School Connected/Booster clubs can fundraise and then make a donation of cash and/or supplies if they wish.*

- D7. When a School Connected/Booster club gives money to ASB, does the school ASB decide how each coach spends their money or does each coach have their own account for each sport? Is there individual sport ASB accounts or one ASB account?**

*ASB has one checking account. Within this account monies are accounted for by club/team. Expenditures are decided by each club/team and approved by the ASB Student Council. Donations made to ASB can be directed to a specific club or even a specific purpose. Final approval rests with the school site Principal.*

- D8. Must all purchases be reported as donations for the District's Board of Education approval (supplies/equipment, transportation)? Must all cash be reported as donations?**

*Yes and yes. The District would like to acknowledge all donations made in support of their students. When donations include supplies & equipment, it is best to make sure all parties agree and can use those items to be donated. Equipment donations should be approved by the school district to make sure ongoing maintenance concerns have been addressed before the purchase.*

- D9. How does a School Connected/Booster club determine what money goes to ASB?**

*That is a School Connected/Booster club decision. Typically there is communication between the coach and School Connected/Booster club as to specific needs.*

- D10. Who determines what a School Connected/Booster club pays for on the campus (e.g., equipment or track)?**

*For use of school/district facilities, the District Office makes this determination.*

*For items being purchased by the School Connected/Booster club and donated to the school site, it is the School Connected/Booster club's decision; although, equipment donations should be approved by the school district to make sure on-going maintenance concerns have been addressed before the purchase.*

- D11. Does the School Connected/Booster club have to pay for rooms, subs, and teacher expenses on an outing?**

*Have to, no. School Connected/Booster clubs make their own decisions as to what support they will provide.*

- D12. Can a district employee or coach receive a reimbursement directly from the School Connected/Booster club (e.g., buys food for the snack bar or supplies for a banquet)?**

*In emergency situations, an employee can submit receipts and request reimbursement. The best way to handle this situation would be for the School Connected/Booster club to make the original purchase whenever possible.*

**D13. Can the School Connected/Booster club withdraw cash to make purchases (e.g., to make purchases in L.A.)?**

*The better option would be for items to be purchased and reimbursement be requested. Written procedures may exist that would allow for cash to be extended in advance for purchases with receipts and change being submitted to the School Connected/Booster club immediately after the event.*

**D14. Can a member or officer that has a business not benefiting from School Connected/Boosters, but School Connected/Boosters can benefit from them, be a conflict?**

*Individuals who have decision-making responsibilities for the School Connected/Booster club should not benefit from their decisions. For example, if an executive council member voted to use their own company to purchase items, this would be a conflict of interest. School Connected/Booster club members who own a business, but do not make the decisions as to spending or buying from themselves do not have a conflict of interest.*

**D15. The School Connected/Booster club purchases all the equipment; do the purchases have to be donated to ASB?**

*No. School Connected/Booster clubs have the right to retain ownership of equipment purchased.*

**D16. If the School Connected/Booster club purchase uniforms and donate them to the school, does the school maintain them? Can uniforms be purchased and not donated?**

*Yes. Donated items become the responsibility of the school site.*

*Yes. School Connected/Booster clubs are under no obligation to donate to ASBs. Uniforms can be purchased and maintained themselves.*

**D17. How do donations get acknowledged?**

*The Donation Form should be completed when making the donation and can be obtained from the school site office. The School Board will acknowledge donations at each board meeting.*

**D18. If a district employee is working after their scheduled district hours why would the School Connected/Booster club have to pay benefits for that person? Are employees allowed to volunteer time?**

*IRS regulations are strict as to payment of employees and their appropriate benefits. Certainly employees have the option of volunteering their time; however, if they are paid in any way, payment must be made via district payroll.*

**D19. What are fixed costs that get added to salary payments?**

*Fixed costs for salary payments could include any of the following as applicable: FICA, Medicare, State Unemployment Insurance (SUI), Workers Comp, OPEB, STRS, PERS.*

**D20. Do the district procedures for paying coaches apply to summer leagues?**

Yes, the district procedures are to be used for any payment of salaries, at any time of the year.

**D21. Is there a limit to stipends?**

*District paid stipends have contractual set amounts, School Connected/Booster clubs are not bound by the district set limits.*

**D22. Will the School Connected/Booster club need to provide workers' compensation for coaching staff if employed by the district?**

*No. All employees paid by the district are covered by the district workers' compensation.*

**D23. Why aren't employees 1099'd on payouts to individuals?**

*IRS has strict rules regarding employees and consultants. Typically a person cannot be both and so a 1099 would not be allowed for an employee.*

**D24. How does the janitor work at a school event (e.g., award ceremony in the evening at a district facility)?**

*The district will hire appropriate staff for events approved by submission of the Use of Facilities request form.*

**D25. Are coaches district employees?**

*Yes, most coaches are employees of the district. They can, however, be volunteers who have gone through the Human Resources approval process to work with students.*

**D26. The School Connected/Booster club was asked to deposit money into ASB to pay for coaches. Should they be paid directly as consultants if they are not district employees?**

*While only district employees are required to be paid through district payroll, a School Connected/Booster club may find it easier to handle all coaching stipends in the same manner to avoid confusion.*

**D27. Are vendors considered employees?**

*No. Vendors are individuals providing a service or companies providing supplies, equipment or services. IRS guidelines should be reviewed to determine the use of consultants and vendors.*

**D28. If ASB is paying the subcontractor for a School Connected/Booster club consultant, who generates the 1099?**

*If the ASB is paying the consultant, then the ASB will issue the 1099. At this point; however, they would not be considered a School Connected/Booster club consultant.*

**D29. Are consultants (non-district employees) paid from the ASB account or the School Connected/Booster account?**

*The contractual relationship is between a consultant and a School Connected/Booster club. Consultants are directly paid by the School Connected/Booster club. It is recommended IRS guidelines are consulted relating to responsibilities for reporting payments made to consultants.*

**D30. Can the head coach arrange facility requests for the School Connected/Booster club?**

*School Connected/Booster clubs should be making their own arrangements.*

## **E. Fundraising**

### **E1. ASB fundraising vs. School Connected/Booster Club, who gets priority?**

*ASB fundraisers have first priority. Submission of the School Connected/Booster's annual fundraiser calendar is very important for coordination.*

### **E2. Can fundraising be done for future projects?**

*Yes. Fundraising activities and their purpose are decisions made by the School Connected/Booster club.*

### **E3. Can School Connected/Booster club fundraisers be on school campus if after school hours?**

*All fundraisers must have approval by the school site. Fundraising activities by outside organizations are restricted until one hour after school ends.*

### **E4. If the fundraiser will not take place on school property, does the School Connected/Booster club still have to get district approval?**

*While approval is not required, coordination of fundraising activities is strongly encouraged. Your fundraising list should be on file with the school site.*

### **E5. Does the fundraising list need to be resubmitted if there is a change of site administration?**

*No, your fundraising list should be on file with the school site. It is only necessary to re-submit if there is a change of fundraisers.*

### **E6. Can students participate in School Connected/Booster fundraisers?**

*Students can voluntarily participate in a School Connected/Booster club fundraiser as long as they clearly identify that they are raising funds for the School Connected/Booster club and they are legally able to participate in the fundraiser (bingo, raffle, casino night, etc.).*

*Fundraisers cannot be held during the school day. The school day is considered to be one hour before the start of school and one hour after the end of the school day.*

### **E7. If students want to help parents fundraise can they wear their uniforms?**

*No. Students who voluntarily participate in a School Connected/Booster club fundraiser cannot identify themselves with the school; they need to be identified with the School Connected/Booster club*

### **E8. Can the School Connected/Booster club fundraise a tangible, non-food, item during school hours?**

*Typically School Connected/Booster clubs are not allowed to conduct fundraisers on school campuses during school hours. School Connected/Booster clubs can only fundraise on campus with advance permission from the Principal.*

- E9. In the past School Connected/Booster clubs have been told that if students sell it, the money has to go to ASB. Please clarify what activities, where students are involved, can have the profits go to the School Connected/Booster club.**

*Students can voluntarily fundraise for a School Connected/Booster club as long as they are legally able to participate in the fundraising event (bingo, raffle, casino night, etc.), as long as they clearly identify themselves as fundraising on behalf of the School Connected/Booster club and are not in competition with ASB.*

*Remember School Connected/Booster clubs are parent/adult organizations. Most fundraising activities should be conducted by their members.*

- E10. Is it possible for two School Connected/Booster clubs, from two different sites within CUSD, to conduct a joint fundraiser?**

*Yes. Fundraisers are approved at the school site level.*

- E11. Do all fundraisers need to be deposited into School Connected/Booster club funds first? Example, the School Connected/Booster club hosts a competition with attendance from other high schools, should the checks for the competition be written to the School Connected/Booster club and not the high school?**

*Yes. If the fundraising event is conducted by the School Connected/Booster club all monies would be handled by School Connected/Booster club members.*

- E12. Is the fundraising events list School Connected/Booster clubs provide to the school only for fundraisers held on school campus?**

*Communication is very important. All fundraising events, regardless of location, should be included on the list of School Connected/Booster club fundraising events submitted to the school site.*

- E13. Does an event like a car wash need to have fundraiser approval as well as a facilities use permit?**

*All fundraisers should be on the list of fundraising activities submitted to the school site. Facilities use is handled at the District Office. The District webpage under “Quick Links”; “Use of Facilities” provides information.*

- E14. Can the School Connected/Booster club track parent donations, specifically to provide a tax-deduction receipt?**

*Tracking of donations is allowed for the sole purpose of providing tax-deduction receipts and for sending thank you letters. What is not allowed is the tracking of donations by students.*

**E15. Can a parent ask how much has been pledged per student? Can a parent ask how many donations have come in for a student?**

*Student tracking is not allowed. Once donations are received they should be tracked only by donator for tax purposes and for sending thank you letters.*

**E16. What are your recommendations for snack bar cash?**

*First choice: cash registers. Second choice: cash drawers or cash boxes. To insure sales match cash collected, inventory needs to be taken before and after each sale.*

**E17. Can School Connected/Booster clubs have a bake sale during a game? Can food be made from home?**

*Your local health department can best answer this question.*

**E18. For snack bar sales, can School Connected/Booster clubs sell food when school is out?**

*The restrictions on food sales end one hour after the school day ends.*

**E19. Is a food handling class needed for snack bar?**

*You will need to check with your local city or county health department to determine all food handling and preparation requirements.*

**E20. Since School Connected/Booster clubs cannot track student accounts, can an Excel spreadsheet be done with ticket numbers per student to track money collected from each student?**

*Yes. It is recommended that School Connected/Booster clubs use a Ticket Inventory Log for tickets issued and returned.*

*Remember fundraising is not required – IT IS VOLUNTARY.*

**E21. Can the School Connected/Booster club track tickets provided to students for a car wash? What if a student does not return the tickets or the equivalent cash, can the student be charged?**

*Yes. It is recommended that School Connected/Booster clubs use a Ticket Inventory Log for tickets issued when a student voluntarily fundraises for a School Connected/Booster club.*

*No. Students cannot be charged should a situation occur where tickets and/or money is not returned.*

**E22. Can students sell bingo and/or raffle tickets?**

*No. It is illegal for students to sell tickets for gambling or games of chance unless they are of legal age. School Connected/Booster clubs are parent organizations and fundraising should be conducted by adults whenever possible BUT certainly when the fundraiser is a bingo or raffle.*

**E23. If the student is not of legal age to sell bingo or raffle tickets, is advertising permissible?**

*A student may volunteer to distribute advertising material for a School Connected/Booster event.*

**E24. Does a 50/50 raffle violate the 90/10 law of fundraising?**

*Yes. Penal code 320.5 states “at least 90 percent of the gross receipts generated from the sale of raffle tickets for any given draw are used by the eligible organization conducting the raffle to benefit or provide support for beneficial or charitable purposes...”.*

*In addition, good cash handling procedures do not permit the spending of monies from amounts collected.*

**E25. Can School Connected/Booster clubs conduct a raffle of donated items, not 50/50 drawing?**

*School Connected/Booster clubs are allowed to hold raffles. It is recommended that School Connected/Booster clubs review Penal Code section 320.5 for regulations.*

**E26. Can the School Connected/Booster club charge an annual fee to opt-out of fundraising and volunteer activities?**

*Fundraising is not required, it is voluntary. No students shall be required to pay a fee for not fundraising nor shall a student be required to raise or sell a minimum level. School Connected/Booster clubs shall adhere to the same rules that apply to the school and students.*

**E27. Please clarify co-mingle with ASB; the School Connected/Booster club does fundraisers with ASB at times.**

*The “co-mingling” restriction has to do with money. ASB money cannot be deposited into School Connected/Booster club accounts. School Connected/Booster club money cannot be deposited into ASB accounts. School Connected/Booster clubs can fundraise and then make a donation of cash and supplies if they wish.*

**E28. If the School Connected/Booster club purchases candy that will be sold under the representation of ASB, is this co-mingling? Then the School Connected/Booster club wants reimbursement for candy expense from ASB, all income will be deposited in ASB.**

*It is illegal for ASBs to pay for School Connected/Booster club supplies, which the candy would be in this case, so reimbursement to the School Connected/Booster club would not be allowed. In this situation, the School Connected/Booster club should purchase the candy and then donate it to the ASB.*

**E29. What type of fees are School Connected/Booster clubs allowed to request from students? For example, spring sports fees, transportation fees, etc.**

*Fees are not allowed to be required or requested from students. School Connected/Booster clubs are parent organizations. They are formed to benefit students.*

## **F. Financial Procedures**

- F1. If an annual School Connected/Booster club budget is approved by general membership, does each individual expenditure need ASB approval?**

*ASB does not approve School Connected/Booster club expenditures. If the School Connected/Booster club budget is detailed to the point of individual expenditures, then each expenditure would not need to be approved by the School Connected/Booster club.*

- F2. How much money is allowed to be carried over each year?**

*IRS guidelines can best provide the answer to this question. The School Connected/Booster Club Manual has IRS contact information.*

- F3. Can a School Connected/Booster club board approved expenditure from 2010 be enforced in 2013 or does a specific annual expenditure have to be approved year after year?**

*If approved expenditures cross-over fiscal years they must be noted in the Board minutes.*

*Expenditure approvals are good for the term of your School Connected/Booster club approval, typically until the end of the school year.*

- F4. Each disbursement should be approved, is the original budget enough?**

*Yes, if the disbursement does not exceed the current budget and it was included in the original budget.*

- F5. Who do the year end reports go to at the district?**

*All reports should be submitted to the school site.*

- F6. When should the annual financial reports be provided?**

*School Connected/Booster club approval is based upon a fiscal/school year, July 1 - June 30. Annual financial reports (July – June) should be submitted at the end of the fiscal year.*

- F7. When money is collected for our School Connected/Booster club, who do we check the money in to?**

*This is a School Connected/Booster club decision. School Connected/Booster clubs are responsible for handling their own monetary transactions.*

- F8. Is there a form to be used by the audit committee when conducting an audit?**

*There is no specific form to use in an audit. The audit committee may develop a form of their own to use.*

**F9. Where does the completed audit get submitted?**

*The completed audit will remain with School Connected/Booster documents and should be made available upon request.*

**F10. Can the treasurer be available to answer questions during an audit?**

*The audit committee should have the ability to contact the treasurer during an audit.*

**F11. Can School Connected/Booster records be kept in a digital format?**

*Yes, digital records will have the same retention requirements as hard copies.*

**F12. Other than 501(c)(3) documents, what are some other examples of permanent records?**

*The Constitution & Bylaws are permanent documents. Inventory of assets and equipment is another.*

COMMUNITY RELATIONS

School-Connected Organizations

The Governing Board recognizes that parents/guardians may wish to organize clubs for the purpose of supporting the educational program and/or extracurricular programs such as athletic teams, debate teams, and musical groups. The Board supports such activities and welcomes parental interest and participation. Parent/guardian clubs shall be especially careful not to seek advantages for the activities they support if those advantages might be detrimental to the entire school program.

The Board requires parent/guardian clubs to have a written statement of purpose and bylaws. The Board recognizes that these organizations are only independent of the school or district if they have established themselves as a non-profit corporation. In order to protect the district and students, the Superintendent or designee shall establish appropriate controls for the relationship between such organizations and the district.

*(cf. 1321 - Solicitation of Funds from and by Students)*

*(cf. 3290 - Gifts, Grants and Bequests)*

Groups desiring to be recognized as school-connected organizations shall request authorization from the Board in accordance with conditions established in administrative regulations.

*Legal Reference:*

*EDUCATION CODE*

*35160 Authority of governing boards*

*38131 Use of civic center by public*

*38134 Groups which may use school facilities without charge*

*Management Resources:*

*CDE LEGAL ADVISORIES*

*1101.89 School District Liability and "Hold Harmless" Agreements, LO: 4-89*

Policy adopted: 2/26/02

Policy revised: 9/8/09

COMMUNITY RELATIONS

School-Connected Organizations

Persons proposing to establish a school-connected organization shall submit a request to the Governing Board for authorization to operate at the school or district level. The requests for authorization shall contain:

1. The name and purpose of the organization
2. The date of application
3. Bylaws, rules and procedures under which the organization will operate, including procedures for maintaining the organization's finances, membership qualifications, if any, and an agreement that the group will not engage in unlawful discrimination.

A copy of the most recent version of the organization's by-laws is to be kept at the site and District Office.

- a. Any revisions or updates must be submitted to the Chief Business Official or designee and site principal or district level administrator within one month of approval by the organization.
4. The names, addresses and phone numbers of all officers
  - a. All billings and deliveries must be sent to the School-Connected Organization's name and business address
  - b. District employees may not hold an officer position (President, Vice President etc.) but they may have equal voting representation
5. A list of specific annual objectives
6. An agreement to grant the district the right to audit the group's financial records at any time, either by district personnel or a Certified Public Accountant

7. The name of the bank where the group's account will be located and the names of those authorized to withdraw funds
8. The signature of the Chief Business Official or designee who supports the request for authorization
9. Desired use for any money remaining at the end of the year if the organization is not continued or authorized to continue in the future
10. Evidence of liability insurance as required by law
11. IRS Receipt Letter and Determination Letter
  - a. A copy of the receipt letter from the IRS stating that the application from the organization has been received is to be given to the site principal and Chief Business Official.
  - b. A copy of the letter from the IRS determining the organization is exempt from income taxes is to be given to the site principal and Chief Business Official. This is a “one time” issue.
  - c. Newly formed organizations must submit their letter of receipt from the IRS before they can begin to use District facilities.
12. Financial reports based on the following guidelines:
  - a. Audits/Reviews
    1. \$0 to \$50,000 of annual revenue – audit conducted by District Internal Auditor.
    2. \$50,001 to \$500,000 of annual revenue – audit conducted by District Internal Auditor and must have a compilation conducted by a Certified Public Accountant (CPA) at least every other year. A copy of the review must be submitted to the District Internal Auditor.
    3. Over \$500,000 of annual revenue – audit must be conducted annually by CPA. A copy of the audit must be submitted to the District Internal Auditor.

*(cf. 1330 - Use of School Facilities)*

Requests for subsequent authorization shall be presented to the Superintendent or designee annually, along with a financial statement showing all income and expenditures from fund-raisers and projected budget for current school year by August 15. The Superintendent may recommend that authorizations be revoked by the Board if considered necessary.

For non-profit clubs, any program, fund-raiser or other activity sponsored by a school-connected organization shall be authorized and conducted according to Board policy, administrative regulations and school rules. Announcements of events and related parent/guardian permission slips shall clearly indicate that the activity or event is sponsored by the school-connected organization, not by the school or district.

School-connected organizations shall not hire or directly pay district employees or volunteers without prior approval from the Superintendent or designee, as defined by school-connected organization by-laws. At their discretion employees may volunteer to perform activities for school-connected organizations during non-working hours. AR 1230 (c) CENTRAL For clubs not certified as non-profit, all programs and fund raisers shall be conducted as a school fund-raiser and all proceeds deposited to an appropriate Associated Student Body (ASB) account. The school principal shall be responsible for the administration of the ASB funds.

*(cf. 3541.1 - Transportation for School-Related Trips)*

Regulation approved: 2/02

Regulation revised: 9/8/09; 8/1/12

# CENTRAL UNIFIED SCHOOL DISTRICT

## *2015-16 School Connected/Booster Club Manual Acknowledgement Form*

---

---

As an elected officer to a School Connected/Booster club operating within the Central Unified School District, I certify that I have read the 2015-16 Central Unified School District School Connected/Booster Club Manual. I understand the procedures outlined in this manual and will adhere to its instruction. At any time should I have questions regarding policies or procedures, or the information outlined in this manual, I will contact the school site administration for clarification or further instruction. I further understand that the information provided in this manual is not intended to be specific or all-inclusive. It is the responsibility of the School Connected/Booster club to fully understand all laws that govern the operation of School Connected/Booster clubs.

Where necessary, the School Connected/Booster club 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 School Connected/Booster clubs. I understand that as an officer of the School Connected/Booster club, and member of the executive board, I am required to ensure the School Connected/Booster club procedures and operating practices are financially and legally sound, and in conformance with all rules, regulations, laws, ordinances and statutes applicable to the organization. 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.

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**School Connected/Booster Club Name:** \_\_\_\_\_

**Office Held:** \_\_\_\_\_

*Maintain a copy of this manual for your reference.*

*Please return this signed receipt form to the school site administrator.*

# CENTRAL UNIFIED SCHOOL DISTRICT

## *2015-16 School Connected/Booster Club Hold Harmless Agreement*

---

---

School Connected/Booster clubs and its officers or operators will agree to indemnify, defend, and hold harmless the Central Unified 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 School Connected/Booster Club activity 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 School Connected/Booster Club or its representatives or participants, including any corporations, district employees, firm or corporation employed by the School Connected/Booster Club which arises from negligence or misconduct on the part of the School Connected/Booster Club, its representatives, students or participants , or which in any way is related to School Connected/Booster Club activity, 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 School Connected/Booster Club activity or conduct related to School Connected/Booster Club activity, 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.

School Connected/Booster clubs, 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 School Connected/Booster activities.

### **ACKNOWLEDGED BY SCHOOL CONNECTED/BOOSTER CLUB PRESIDENT:**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

# Central Unified School District

*Application for School Connected/Booster Club*

New Application

Renewal Application  
*(required each school year)*

**GENERAL INFORMATION**

|                             |  |                       |  |
|-----------------------------|--|-----------------------|--|
| <b>Name of Organization</b> |  | <b>School Site</b>    |  |
| <b>Mailing Address</b>      |  | <b>School Year</b>    |  |
|                             |  | <b>Date Requested</b> |  |

**EXECUTIVE BOARD OFFICERS**

|                       | Name | Address | Phone | Email |
|-----------------------|------|---------|-------|-------|
| <b>President</b>      |      |         |       |       |
| <b>Vice President</b> |      |         |       |       |
| <b>Secretary</b>      |      |         |       |       |
| <b>Treasurer</b>      |      |         |       |       |
|                       |      |         |       |       |
|                       |      |         |       |       |
|                       |      |         |       |       |

**PURPOSE (Describe the purpose of the organization)**

**ANNUAL OBJECTIVES (List specific goals for the school year)**

| FINANCIAL INFORMATION   |   |  |  |
|---|---|--|--|
| Name of Bank  |   | Account Number   |  |
| Address of Bank   |   | Authorized Signers   |  |
| Tax ID #(EIN)   |   |  |  |
| REQUIRED DOCUMENTS (Attach Copies - New {N} & Renewal {R}) - Excluding PTA's  |   |  |  |
| <input type="checkbox"/> Constitution {N}   | <input type="checkbox"/> 501©3 Determination Letter {N}           | <input type="checkbox"/> Certificate of Insurance - {N, R}             |  |
| <input type="checkbox"/> Bylaws {N}   | <input type="checkbox"/> Proof of State Tax Exempt Status {N}     | <input type="checkbox"/> Insurance Endorsement Page{N, R}              |  |
| <input type="checkbox"/> Proof of Tax ID # {N}  | <input type="checkbox"/> Seller's Permit - {N,R}                  | <input type="checkbox"/> Insurance Declaration Page - {N, R}           |  |
| <input type="checkbox"/> Acknowledgement Form signed by each Officer - {N,R}  | <input type="checkbox"/> Hold Harmless Agreement - {N,R}          | <input type="checkbox"/> Proof of Crime/Fidelity Bond Insurance {N, R} |  |
| <input type="checkbox"/> Annual Budget {N, R}   | <input type="checkbox"/> Prior Year Profit and Loss Statement {R} |  |  |
| REQUIRED DOCUMENTS -PTA's (Attach copies)   |   |  |  |
| <input type="checkbox"/> Annual Budget  | <input type="checkbox"/> Certificate of Insurance                 | <input type="checkbox"/> Insurance Endorsement Page                    |  |
| <input type="checkbox"/> Insurance Declaration Page   | <input type="checkbox"/> Hold Harmless Agreement                  | <input type="checkbox"/> Acknowledgement Form signed by each Officer   |  |
| <input type="checkbox"/> Prior Year Profit and Loss Statement   |   |  |  |
| FINAL APPROVAL  |   |  |  |
| <p>This certifies you have satisfied all sections of the Central Unified School District Application for School Connected/Booster organization.<br/>           Authorization are granted per school year. You must resubmit your application annually by March 15 to continue to to continue to operate as a School Connected/Booster organization.</p> |   |  |  |
| Signature of School Site Administrator: _____   |   | Date: _____  |  |
| Signature of Chief Business Officer: _____  |   | Board Approval: _____  |  |
| Authorized Date:  | From _____  | To _____   |  |
| <p><i>* You are not authorized to operate as a school connected/booster until Board Approval and signature for final approval is received from the school site administrator.</i></p>   |   |  |  |

# ANNUAL BUDGET

School Connected Organization: \_\_\_\_\_

School Year: \_\_\_\_\_

*\* Complete the shaded areas only*

**Estimated Revenues** ..... \$ -

**Fundraisers**..... \$ -

(list potential fundraiser and estimated revenue)

|   |  |      |
|---|--|------|
| 1 |  | \$ - |
| 2 |  | \$ - |
| 3 |  | \$ - |
| 4 |  | \$ - |
| 5 |  | \$ - |

**Miscellaneous**..... \$ -

(list all other potential revenue)

|   |  |      |
|---|--|------|
| 1 |  | \$ - |
| 2 |  | \$ - |
| 3 |  | \$ - |
| 4 |  | \$ - |
| 5 |  | \$ - |

**Estimated Expenditures**..... \$ -

|    |  |      |
|----|--|------|
| 1  |  | \$ - |
| 2  |  | \$ - |
| 3  |  | \$ - |
| 4  |  | \$ - |
| 5  |  | \$ - |
| 6  |  | \$ - |
| 7  |  | \$ - |
| 8  |  | \$ - |
| 9  |  | \$ - |
| 10 |  | \$ - |

**Total Profit (Loss)**..... \$ -

President Signature \_\_\_\_\_

Date: \_\_\_\_\_

Treasurer Signature \_\_\_\_\_

Date: \_\_\_\_\_

Board Approval date: \_\_\_\_\_

## Profit and Loss Statement

School Connected Organization: \_\_\_\_\_

School Year: \_\_\_\_\_

*\* Complete the shaded areas only*

|  |    |   |
|--|----|---|
| Beginning Balance .....                      | \$ | - |
| Revenues Earned for the School Year.....     | \$ | - |
| Adjusted Balance.....                        | \$ | - |
| Total Disbursements for the School Year..... | \$ | - |
| Ending Cash Balance as of June 30, _____     | \$ | - |

President Signature \_\_\_\_\_  
 Treasurer Signature \_\_\_\_\_

Board Approval date: \_\_\_\_\_

# CENTRAL UNIFIED SCHOOL DISTRICT

## 2015-16 Revocation of Application for an Existing School Connected/Booster Club

### GENERAL INFORMATION

|                                  |  |
|----------------------------------|--|
| School Connected/Booster Club    |  |
| School Connected/Booster Contact |  |
| School Site                      |  |

### REASON FOR REVOCATION OF SCHOOL CONNECTED/BOOSTER CLUB

Non-Compliance                       Incomplete Paperwork                       Other (describe below):

---

---

---

---

---

---

---

---

#### *For School Use*

It is recommended by site administration to revoke the application of above named School Connected/Booster Club.

Signature of School Site Principal: \_\_\_\_\_ Date: \_\_\_\_\_

#### *For District Office Use*

In accordance with Board Policy 1240, the Central Unified School District, by recommendation of the School Site Principal, hereby approves the request to revoke the application of the above named School Connected/Booster Club.

*All School Connected/Booster fundraising activities shall cease operation immediately and the process for Dissolution under the School Connected/Booster Bylaws shall begin.*

Signature of District Administrator: \_\_\_\_\_ Date: \_\_\_\_\_