

**ADMINISTRATIVE PROCEDURES OF THE
MILWAUKEE PUBLIC SCHOOLS**

**ADMINISTRATIVE PROCEDURE 7.22
SCHOOL FUNDRAISING ACTIVITIES**

(1) OVERVIEW

(a) Nothing within these guidelines should be construed as a directive or encouragement for schools to undertake fundraising activities. These guidelines have been developed to ensure that Board policy is adhered to, that the educational process is not interfered with, that students are not pressured into commercial entrepreneurship, and that acceptable accounting and financial procedures are followed.

(b) Principals are to review guidelines in these procedures with parent groups and staff members prior to providing them with a copy of “Fundraising Guidelines for Schools” (section (2) below) or “Fundraising Guidelines for Parent Organizations” (section (3) below). Any necessary interpretation of these guidelines should be referred to the Superintendent or his/her designee.

- (c) Fundraising activities in the Milwaukee Public Schools can be divided into two categories:
1. fundraising guidelines in schools, and
 2. fundraising guidelines for parent organizations.

(d) Internal fundraising in schools is conducted by the principal or his/her designee and may involve staff, students, parent groups, and usually some use of school facilities. All such fundraising activities must be in accordance with these administrative guidelines and Board policy. While the number of these fundraisers are not limited in the schools, the principal is responsible to carefully monitor and control such activities.

(e) Fundraising activities by parent organizations which involve the school may be conducted only by recognized parent organizations and must be conducted in accordance with “Fundraising Guidelines for Parent Organizations.” This type of fundraising needs the approval of the principal before proceeding with any activity. Any parent group not meeting the definition of a recognized parent organization must carry out fundraising activities within “Fundraising Guidelines for Schools.”

(2) FUNDRAISING GUIDELINES FOR SCHOOLS

(a) General Guidelines

1. Requests to initiate fundraising activities should be submitted to the principal on the Internal Fundraising Authorization Application Form #80082 for approval. The principal’s decision must be based on the guidelines found in this section. The request must be filed in the school office before any fundraising activity is initiated and prior to making any commitment to vendors. Once approved, one (1) copy of the form should be maintained on file in the school office.

2. Each fundraising project is limited to a two (2) -week selling period or a specific time period approved on the Internal Fundraising Authorization Application Form #80082.

3. If approved by the principal, fundraising activities for voluntary school-related field trips may accrue either as individual or group credits. These credits can be used to pay direct field trip expenses, but may not be dispersed as cash to individual students. Any exception to the rule must have written approval from the Superintendent or his/her designee.

4. Whenever possible, fundraising activities should demonstrate the district’s commitment to promoting healthful behaviors and improving personal wellness. Selling nutritious foods reinforces nutrition messages taught in classrooms and lunchrooms.

(b) Fundraising Projects

Past experience has shown that certain fundraising activities have been successful in raising funds. These include the following examples:

- (a) product sales (popcorn, fruit, cookbooks, clothing, cards, etc.)

- (b) bazaar, carnival (no rides), or fair
- (c) craft, art, hobby, science fair
- (d) dance
- (e) supper, luncheon, or dinner
- (f) ice cream social
- (g) athletic competition between students and faculty
- (h) concert, play, stage production
- (i) bake sale or food sales
- (j) sponsored movie night at a theater or at the school
- (k) donations
- (l) school pictures
- (m) bike-/bowl-/jump-/read-/skate-/walk-a-thons
- (n) gift wrapping
- (o) fun runs
- (p) rent-a-helper
- (q) car wash
- (r) recycling
- (s) auctions

(c) Accounting Procedures for School Fundraising Activities

1. Staff members and/or advisors of school clubs or school activities involved in fundraising must receive the following record-keeping material/financial record forms:
 - a. Fundraising Request and Report Form #80082
 - b. Deposit/Cash Receipt Form #80008
 - c. Purchase Order/Check Request Form #44
 - d. Receipt book (on request)
 - e. Coin and currency wrappers (on request)
2. Members of the school staff are personally responsible for all products and any money handled during fundraising activities.
 - a. Security arrangements for all products are to be made with an administrator. With permission of the principal, fundraising products may be kept in classrooms overnight if they are locked in a secure place.
 - b. Students should take orders prior to the actual delivery of products whenever possible. Students are limited to handling goods valued at no more than \$30.00 before additional products are released for distribution, unless accompanied by a parent or responsible adult.
 - c. Monies collected from students must be turned over to the staff member in charge of finances each day.
 - d. A receipt book must be kept by each fundraising advisor with a record of monies received, including students' names and dates. Receipts shall be given to students each time money is received from them.
 - e. All invoices related to the payment for fundraising merchandise must be submitted to the staff member in charge of finances (bookkeeper, accountant, secretary) on a Purchase Order Check Request Form #44 for payment.
3. All monies collected in school fundraising activities must be deposited intact along with the Deposit/Cash Receipt Form #80008 in the school's checking account no less than once a week. No fundraising expenses or payment of merchandise can be made from these receipts.

- a. Under no circumstance is money to be kept in classrooms, taken from the building by the fundraising advisor, or deposited in private accounts.
 - b. Staff members or students are prohibited from opening private bank accounts for money generated from school activities or using the school's name for private activities or private fundraising.
4. The school Fundraising Request and Report Form #80082 is to be completed in triplicate and submitted to the principal within one week of the close of the fundraising activity. Distribution of the approved form is as follows:
- a. original to advisor/manager
 - b. copy to principal
 - c. copy to staff member in charge of finances
5. All financial records relating to fundraising activities must be retained for a period of five years for audit purposes.
6. All fundraising activities are subject to periodic audits by Board internal auditors and/or the Milwaukee Public Schools' independent auditing firm. Only the school principal shall have authority to approve school fundraising contracts.
7. Faculty advisors assume personal responsibility for all monies collected up until those monies are deposited with the school office.

(3) FUNDRAISING GUIDELINES FOR PARENT ORGANIZATIONS

(a) Definition of Recognized Parent Organizations

1. Many Milwaukee Public Schools are fortunate to have parent groups who actively participate with school staffs in improving the education of students. Many of the parent groups are PTAs and, as such, are tied into the national parent organization which gives them organizational structure and standing in the community. Some of the parent groups are independent organizations such as PTSOs and booster clubs, but nevertheless are formally organized with constitutions and bylaws. Some are incorporated under state laws and have tax-exempt status.
2. Any questions related to parent organization fundraising should be referred to your school principal.

(b) Fundraising Projects

1. Parent organizations may wish to engage in fundraising projects for the purpose of assisting school organizations. Such fundraising projects should be undertaken only with the approval and support of the parent organization's membership and not as an individual's effort.
2. Fundraising should be limited to reaching specific objectives rather than general fundraising to increase the treasury. The following procedures must be followed in fundraising projects:
 - a. Student clubs and organizations have priority in all fundraising activities.
 - b. Parent organizations must keep the principals of the schools they represent informed of all fundraising projects. This will ensure that the activities are within the guidelines of the Milwaukee Public Schools and will prevent duplication of activities.
 - c. A fundraising project is limited to a two (2) -week selling period or a specific time period approved by the principal.
 - d. A summary of the fundraiser shall be prepared by the treasurer and a copy submitted to the principal.
 - e. Prior to the ordering of the fundraising products, careful consideration should be given to the storage and safekeeping of the products to be sold.
 - f. All orders for fundraising products should be processed through the treasurer (or other designated officer).

- g. A careful record should be kept of all products issued to those receiving the products to be sold. Each individual receiving products should sign for them. It is suggested that no student receive more than \$30.00 worth of products at one time, unless accompanied by a parent or other responsible adult.
- h. As money is turned in, individual receipts should be issued.
- i. All monies collected by the organization's treasurer should be deposited in the organization's bank account (or school account) on a regular basis. Money shall not be kept in an individual's bank account, nor cash be kept in an individual's home or in a staff member's classroom or desk.
- j. School facilities may not be used for fundraising not related to school activities.
- k. All fundraising activities are subject to periodic audits by the Office of Board Governance-Audit Services and/or the Milwaukee Public Schools' independent auditing firm.

(c) Types of Fundraising activities

Past experience has shown that certain fundraising activities conducted by parent organizations have been successful. Refer to Fundraising Guidelines for Schools (section (2) above) for examples of these activities.

(d) Accounting Procedure Guidelines for Parent Organizations

1. Receipt and Deposit of Funds

a. The treasurer or person responsible for the finances of the organization must prepare and distribute a financial report to the parent group at least once each semester. The report should detail the receipts and expenditures for each respective period.

b. The parent group customarily elects a treasurer as the authorized custodian of the funds of the parent organization. The treasurer accounts for all receipts of funds generated from the various financial activities engaged in by the organization. This person entrusted with the organization's funds issues receipts for all monies received for deposit.

c. The parent organization should establish a bank checking account in the name of the parent organization. The treasurer should make regular deposits of all monies received from the various organizational financial activities.

d. Other members of the parent group may assume responsibility for collecting money. For example: receipts from fundraising activity involves the sale of merchandise such as fruit, candy, candles, etc., and the funds derived thereof must be properly accounted for and presented to the treasurer for deposit. A receipt book shall be kept by each fundraising sponsor, with a record of monies received, including names and dates.

2. Disbursement of Funds

a. Each parent group must establish operational procedures that identify two (2) or more individuals as jointly responsible for authorizing expenditure of funds from the treasury.

b. Disbursement of revenue from fundraising events is authorized by the President, executive committee, or the parent association as specified by group bylaws. Properly authorized payment vouchers should be accompanied by invoices or cash receipts supporting the payment. When using school accounting facilities, request for payment should be made by the treasurer to the school principal. (The school principal, however, does not have the authority to issue checks from the parent organization funds without proper authorization from the parent group.)

c. Acceptable accounting procedures require that all payments be made by check, except for small incidental expenditures, which may be made from a petty cash fund established for that purpose.

d. No monies should be used to pay for any expenses other than the direct costs of the group club or association. No salaries or expenditures for the benefit of any individual should be made, except for the reimbursement of out-of-pocket expenses incurred.

3. *Financial Records*

a. The records of the financial activities of the parent group are the responsibility of the group treasurer. Accurate financial records should be maintained of all organizational receipts and disbursements. The use of a cash journal for cash receipts and cash disbursements is required.

b. The Department of Finance has prepared a record-keeping packet to assist treasurers of parent organizations in properly accounting for funds. These financial records will then serve as the basis for financial reports presented to parent organization members, school administrators, and the Board.

4. *Financial Statements*

a. The parent group’s treasurer submits financial statements to the parent group on a regular basis at its meetings. Financial statements should be prepared for fundraising activities upon completion of all financial transactions related to the fundraising activity.

b. Copies of annual financial reports and fundraising activity reports must be forwarded to the Department of Finance.

5. *Financial Record Retention Requirements*

a. All records of financial transactions, vouchers, receipts, bank statements, and canceled checks are to be retained and made available to the parent organization audit committee.

b. All financial records are to be retained for a period of five years.

6. *Responsibilities of a Parent Organization Budget Committee*

a. The budget is a guide, outlining the anticipated income and the expected expenditures. It ensures planning ahead regarding the financial obligations and responsibilities of the organization. It encourages effort by the members to maintain the needed funds in the treasury.

b. The objective of a budget committee is to develop a budget to meet the needs of the year’s activities of the organization.

c. The treasurer, the past treasurer, and members of the organization who are proficient in bookkeeping and accounting may be considered for membership on this committee.

d. If possible, the person or persons responsible for fundraising should also be members of the budget committee.

e. After the budget is adopted by the organization, it becomes the financial guide and is closely followed in all financial transactions. If adjustments are needed, the budget can be amended by vote of the organization.

f. The budget committee should:

- 1) meet early in the year to prepare the budget;
- 2) review past budgets, income, and expenditures;
- 3) estimate probable income from sources;
- 4) survey needs of the organization and their probable cost;
- 5) survey members for budgetary suggestions;
- 6) balance probable income with probable expenditure;
- 7) establish a miscellaneous fund to cover unbudgeted items and expenditures; and
- 8) present the proposed budget to the organization for approval.

g. Items that might be included in the budget are set forth below:

Estimated Expenditures:

Awards (service, music, athletic, etc.)\$ _____

Programs and/or field trips.....	\$	_____
Donation to school library	\$	_____
Commencement activity and/or gift.....	\$	_____
Operating expenses	\$	_____
Office/chairperson’s expenses.....	\$	_____
Supplies/postage	\$	_____
Conventions, workshops, etc.....	\$	_____
Newsletters and/or publicity	\$	_____
Dues to state and national organization (if applicable).....	\$	_____
Student welfare	\$	_____
Contingencies.....	\$	_____
TOTAL BUDGET	\$	_____
Estimated Income:		
Balance on hand from previous year.....	\$	_____
Membership dues, if any	\$	_____
TOTAL TO BE BUDGETED	\$	_____

(4) GUIDELINES RELATED TO USE OF SCHOOL FUNDS

(a) Sources of Funds

The money that schools acquire for their general school funds comes mostly from five sources:

1. Sale of bookstore supplies
2. Interest income from the various organizations/activity club accounts
3. Money left over from defunct clubs/organizations/activities
4. School pictures
5. Donations and fundraising activities.

(b) Expenditure of Funds

1. Expenditures from the general school fund are to be of direct or indirect benefit to the student body. The basic purpose of such funds is to promote the general welfare and morale of the students and to benefit them as a whole. Examples of these types of expenditures include:

- a. field trips for students
- b. student recognition and incentive awards
- c. special auditorium programs and speakers
- d. special equipment for students’ use, such as computers, reading materials, and special classroom materials
- e. student handbook/folders
- f. purchase of special items such as copy machines, duplicating machines, and trophy cases
- g. special mailings to parents.

2. There are some expenditures from the school fund that have a positive impact upon the school and may be indirectly related to students. Expenditures of this type are to be closely monitored by the principal. These expenditures include:

- a. coffee and doughnuts and in-school luncheons and breakfasts for parents and special visitors to the school
- b. coffee and doughnuts for staff members at special times such as organization and inservice days
- c. miscellaneous expenses relative to improving the school surroundings.

(c) Procedures for the Expenditure of School Funds

1. Schools typically receive outside funds from either an internal school source or external sources. The procedures outlined in this section are not applicable to Board-allocated funds.
2. General Guidelines and Procedures. When making purchases, principals must consider these factors:
 - a. Safety of the equipment being purchased
 - b. Adaptability to the curriculum
 - c. Purchase price, including installation and repair cost.
3. For assistance regarding these matters, principals should contact the appropriate department or division (i.e., Facilities and Maintenance, Educational Services, Finance, Purchasing Services).
4. In accordance with the policy of the Board, all purchases of supplies and equipment are handled by purchasing services for all Milwaukee Public Schools sites. School purchases from local school funds and cash donations from non-Milwaukee Public Schools sources for school purchases are subject to purchase procedures established by the Division of Purchasing Services.

(5) FUNDRAISING GUIDELINES INVOLVING CHARITABLE ORGANIZATIONS

(a) The Combined Giving Campaign and the United Performing Arts Fund are the ONLY charitable organizations that are annually approved by the Board for active participation by Milwaukee Public Schools staff and students.

(b) Each year requests are also received for school participation in charitable drives from nationally recognized charitable organizations such as the March of Dimes, Multiple Sclerosis Society, the American Heart Association, and many others. Some of these charities are approved for limited school participation.

(c) Permission for schools to cooperate with other than nationally recognized charitable organizations is granted through a written communication from the Deputy Superintendent. Schools are not to participate in any manner with any charitable organization unless they have received written permission.

(d) Once written approval is granted to a charitable organization, an individual school's participation in fundraising activities is strictly on a voluntary basis. Charities usually have plans for school involvement; however, unless other directives are received from the Office of the Deputy Superintendent, a school's participation is to be limited as follows:

1. Schools may display posters and distribute fundraising materials.
2. Any orientation sessions related to the fundraising activity for students and staff must be held during non-school hours and cannot be held on school property.
3. Any registration or solicitation for funds or donors must be done during non-school hours and cannot be done on school property.
4. All money-collecting activities and depositing of funds are a matter between the individuals and the charitable organization. School staffs are not to collect money nor be responsible for any money collection or accounting of funds.

(e) Any requests for fundraising for charitable purposes that have not been authorized by the Deputy Superintendent should be denied under Administrative Policy 9.08, which states:

...[N]o requests for privileges shall be granted which in any way or manner are likely to occupy the time and attention of teachers or students, or call for services on the part of school children, or are likely to give precedence or preferment of one student over another, or which involve any phase of commercialism.

(f) Any questions related to procedures or any requests from charitable organizations should be directed to the Deputy Superintendent.

History:	Revised 1-29-97, 9-25-01, 1-30-03, 06-29-06		
Cross Ref.:	Guideposts	Part IX	Administrative Guidelines Related to Fundraising and Use of School Funds
	Admin. Policy	4.05	School Nutrition Management
	Admin. Policy	4.06	Vending Machines
	Admin. Policy	4.07	Student Nutrition & Wellness Policy
	Admin. Proc.	4.07	Student Nutrition & Wellness Procedures
	Admin. Policy	5.02	Community and Parent Organization Use of School Facilities
	Admin. Policy	7.06	Health Education
	Admin. Policy	7.07	Physical Education
	Admin. Proc.	7.07	Physical Education
	Admin. Policy	9.08	Advertising in the Schools
	Admin. Policy	9.11	School Governance Councils

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