

SANGER I.S.D.

PTO/Booster Club General Information Guide



The information in this guide is provided to assist District Staff and PTO/Booster Clubs in following pertinent policies and regulations, and to offer suggestions for their organizations.

PTO/Booster Clubs – General Information

Parent support organizations may be established to enhance the educational experience by supporting school programs, student groups, and campus activities. Student participation in extracurricular and enrichment opportunities plays a vital role in their overall development, and Sanger ISD greatly values the time, effort, and financial support provided by PTOs and Booster Clubs.

While PTOs and Booster Clubs work closely with the District, they are separate entities. The formation of any PTO or Booster Club must be approved by the appropriate campus Principal or District Administrator. All organizations must operate in compliance with Sanger ISD policies, University Interscholastic League (UIL) regulations, and all applicable federal and state laws.

The **Superintendent** is responsible for the overall educational program of the District, including all curricular and extracurricular activities. All school-related programs, events, and personnel operate under the Superintendent's authority. PTOs and Booster Clubs are expected to recognize this structure and work within the established framework of the District.

Campus Principals are responsible for all fundraising activities conducted on behalf of their school. Any fundraising or special event must be planned in coordination with and under the supervision of the Principal. Parent, teacher, and student groups are expected to collaborate fully with campus administration when organizing activities or raising funds.

For student organizations, the **Sponsor** serves as the liaison between the Booster Club and the District, under the direction of the Principal. The Sponsor, with administrative approval, determines the activities and trips in which the student group will participate.

Booster Clubs exist to support student groups, programs, or activities. This support may range from volunteer and fan engagement to fundraising for events or competitions. Booster Clubs provide assistance for approved activities through coordination with the Sponsor. While they determine the level and type of support they provide, Booster Clubs do not have authority over student group decisions, including activities or travel.

Similarly, **PTOs** support campus-wide programs and initiatives. Their contributions may include volunteer service, campus support, and fundraising efforts. PTOs work directly with the Principal to support approved campus activities. While they determine how they contribute, PTOs do not have the authority to direct or determine campus programs or activities.

SANGER ISD PTO/BOOSTER CLUB GUIDELINES

PTO/Booster Clubs SHALL:

- Comply with all Sanger ISD policies, University Interscholastic League (UIL) regulations, and applicable federal and Texas state laws.
- Follow District procedures and Board policy when donating funds, goods, or services to the District.
- Adhere to Sanger ISD social media guidelines.
- Maintain current bylaws that provide organizational structure, outline procedures, and support continuity of leadership.
- Keep accurate minutes of all meetings.
- Maintain appropriate insurance coverage for all activities conducted on school premises. (The District does not provide insurance coverage for PTO/Booster Clubs.)
- Obtain prior approval from the Principal or designee for all fundraising activities conducted during the school year.
- Be responsible for all financial obligations, including payment of taxes and debts incurred by the organization.
- Maintain financial records in accordance with required retention guidelines and ensure an annual audit is conducted by an audit committee or independent auditor.
- Submit financial reports to the Superintendent in both the fall and spring of each year.
- Elect officers through a vote of the membership.
- Follow UIL Awards Rule and District policy when recognizing or awarding students.

PTO/Booster Clubs SHALL NOT:

- Use school facilities without prior written approval from the Principal and/or Facilities Director.
- Establish or maintain "petty cash" or miscellaneous discretionary funds for coaches or sponsors.
- Provide gifts or cash to sponsors or coaches that exceed UIL limits (currently \$500 in

money, goods, or services per calendar year from any source).

- Collect student fees for items required for participation in a school-sponsored activity (e.g., uniforms, supplies, travel, or participation fees).
- Directly employ, contract with, or compensate individuals (e.g., consultants, clinicians, accompanists, paraprofessionals) for services related to student activities. All such arrangements must be processed through the Principal, Sponsor, and District Business Office.
- Enter into contracts or directly pay expenses related to student travel (e.g., hotels, transportation, airfare, fees). All arrangements must be coordinated through the District.
- Use the Sanger ISD tax identification number for PTO/Booster Club business.
- Use the District's tax-exempt status or exemption forms for PTO/Booster Club purchases.

BEST PRACTICE RECOMMENDATIONS

- While not required, the following practices are strongly encouraged to promote transparency, accountability, and effective operation of PTO/Booster Clubs:
- Avoid using PTO/Booster Club funds to support non-school activities, including summer leagues or external teams (e.g., city leagues, select teams).
- Avoid conducting fundraising activities that involve games of chance (e.g., lotteries or raffles).

Note: In accordance with Board Policy GKB (Legal), a "qualified nonprofit organization" may conduct raffles under the Texas Charitable Raffle Enabling Act when done in compliance with the law and for the benefit of a school or district.

- Ensure officers have a current student actively participating in the program or campus supported by the PTO/Booster Club.
- Limit financial responsibilities (such as handling or managing funds) to individuals who have a student actively involved in the program.
- Avoid having immediate family members (e.g., spouses) serve as officers within the

same organization to maintain appropriate financial oversight and separation of duties.

- Provide meeting minutes and regular financial reports to the campus or activity sponsor to support transparency and communication.
- Annually submit a current list of PTO/Booster Club officers and contact information to the campus administrator and activity sponsor.
- Include a dissolution clause in the organization's bylaws. A recommended example is: *"Upon dissolution of the organization or the winding up of its affairs, all remaining assets shall be distributed to the designated campus activity fund."*

RECORD-KEEPING PRACTICES

The responsibility for the proper collection, reporting, disbursement, and safeguarding of all PTO/Booster Club funds and assets rests solely with the organization's officers—not with Sanger ISD or its employees. Campus Principals and Sponsors may serve in an advisory capacity only.

District employees may not serve as officers of a PTO/Booster Club at the campus where they are employed and may not have signatory authority on PTO/Booster Club bank accounts. Additionally, District employees with accounting or bookkeeping responsibilities may not serve as Treasurer or have access to PTO/Booster Club financial accounts.

PTO/Booster Clubs operate as independent organizations and do not have the authority to act on behalf of, obligate, or represent Sanger ISD or any of its campuses. Each organization is solely responsible for all financial and non-financial commitments it incurs.

PTO/Booster Clubs should maintain accurate and complete records, including:

- Written minutes of all meetings, retained as part of the organization's permanent records
- Financial records that clearly document all transactions and account activity
- Supporting documentation for all income and expenditures

Organizations are encouraged to seek independent legal and tax guidance, at their own expense, as needed to ensure compliance with applicable laws and regulations.

District personnel may provide guidance and support, as appropriate, to help facilitate PTO/Booster Club operations.

All records should be maintained in an organized manner to support transparency and ensure a smooth transition between officers. Financial records should be retained for a minimum of five (5) years. Certain records may become public upon obtaining tax-exempt status and must be available for inspection as required by law.

PTO/Booster Clubs should establish an independent mailing address, such as a post office box or a designated personal or business address. School campuses are not equipped to receive, process, or manage mail on behalf of PTO/Booster Clubs.

BANK ACCOUNTS

PTO/Booster Clubs are responsible for establishing and maintaining independent financial accounts in accordance with applicable laws and District expectations.

- Each PTO/Booster Club must obtain an Employer Identification Number (EIN) from the Internal Revenue Service (IRS) prior to opening a bank account. Refer to Federal Tax Information for additional guidance.
- Commingling of PTO/Booster Club funds with school activity funds is strictly prohibited. Each organization must maintain its own separate bank account at a financial institution reasonably accessible to the school community.
- All funds received should be properly receipted and deposited promptly, preferably within 24 hours of receipt.
- It is recommended that all disbursements require the approval and signature of at least two officers. Signatories should be parents or guardians of students involved in the supported program.
- District employees may not have signatory authority on PTO/Booster Club bank accounts at the campus where they are employed. Additionally, employees with accounting or bookkeeping responsibilities may not serve as Treasurer or have access to the organization's financial accounts.
- Funds and purchases must be handled in accordance with District guidelines:
- Any capital equipment purchased with PTO/Booster Club funds and donated to the school becomes the property of Sanger ISD and must remain on campus for school use.
- District employees may not accept personal loans or advances from PTO/Booster

Clubs, parents, or student organizations.

- PTO/Booster Club funds may not be used to directly compensate District employees or other individuals for services related to school programs. All such payments (e.g., clinicians, consultants, accompanists) must be processed through the District Business Office.

Exception:

- Private lesson instructors who are independently contracted by parents (not the District) may be paid directly. PTO/Booster Club scholarship programs may issue payments directly to these instructors, as these arrangements are not District services.

FUNDRAISING

Fundraising activities should align with the educational mission of Sanger ISD and support student programs without exploiting students or compromising their safety.

- All fundraising activities must receive prior approval from the campus Principal or designee. **A [Fundraising Request Form](#) must be completed and submitted for each fundraiser** at the beginning of each semester or within a timeline established by the campus. Approval must be obtained before any fundraising activity begins.
- Elementary students may not participate in door-to-door sales.
- The Principal will prioritize activities that provide educational value over those conducted primarily for fundraising purposes.
- Participation in fundraising activities must be voluntary. No student or staff member shall be required to meet minimum sales goals or raise a specified amount of money.
- Funds raised must benefit the student group or campus as a whole. Individual fundraising accounts or tracking funds based on individual participation are not permitted.

Additional Fundraising Guidance

Raffles

A raffle is defined as any activity in which a prize—anything of value—is awarded to one or more individuals who have given consideration (e.g., purchased a ticket) for the chance to win.

Unauthorized raffles are considered gambling under the Texas Penal Code and may result in legal penalties:

- Conducting an unauthorized raffle is a Class A misdemeanor
- Participating in an unauthorized raffle is a Class C misdemeanor

Raffles are regulated by the Texas Attorney General's Office under the Charitable Raffle Enabling Act. PTO/Booster Clubs must ensure they meet all legal requirements before conducting a raffle.

For more information, visit:

<https://www.texasattorneygeneral.gov/divisions/financial-litigation/charitable-trusts/charitable-raffles-and-casinopoker-nights>

SCHOLARSHIPS

PTO/Booster Club scholarships should be awarded in a fair, transparent, and consistent manner that supports student achievement and post-secondary opportunities.

- Scholarships must be awarded based on clearly defined criteria, such as financial need, merit, or a combination of both.
- Selection committee members must be free of conflicts of interest. Individuals should not participate in the selection process if they are related to, or have a close personal relationship with, any applicant.
- Organizations should establish procedures to ensure scholarship funds are used for their intended purpose. Whenever possible, funds should be paid directly to the college, university, or program on behalf of the student.
- Written guidelines outlining eligibility, application procedures, selection criteria, and timelines should be established and made available to applicants.

PTO also offers annual scholarship opportunities for graduating seniors and faculty. For additional information or to apply, visit: <https://www.txPTO.org/scholarship>.

SOCIAL MEDIA:

Booster clubs are valued partners in supporting our students, schools, and community. Because booster clubs often represent the school or district publicly, it is important that all social media activity reflects positively on students, staff, and the district.

The following guidelines apply to all booster club social media accounts affiliated with Sanger ISD:

1. Account Identification and Branding

- Booster club accounts should clearly identify themselves as a **booster organization**, not an official district or campus account (e.g., "Sanger High Band Boosters" not "Sanger High Band").
- Use of the **school name, mascot, or logo** must comply with district branding guidelines and be approved by the district or campus principal.
- Do not present the booster club account as an official spokesperson for the school or district.

2. Content Expectations

- Posts should reflect the **mission of the booster club**: supporting students and school programs.
- Avoid posting **student grades, disciplinary information, or other private student information** (FERPA laws apply).
- Refrain from posting any content that is:
 - Offensive, profane, or inflammatory
 - Politically partisan or promoting personal agendas
 - Critical of school staff, administration, or students
- Photos of students should only be posted with proper consent in accordance with district photo release policies.

3. Conduct and Tone

- Represent the school community with **integrity, respect, and positivity**.
- Avoid engaging in online arguments or responding negatively to comments or criticism.
- Address concerns through appropriate channels rather than on social media.

4. Administrator Oversight

- The district's **Director of Communications** must be notified of all booster club social media accounts.
- Provide account handles/usernames and contact information for the person(s) managing the account to the district's **Director of Communications**.
- District administration reserves the right to request the removal of posts that violate these guidelines or district policies.

5. Fundraising and Promotion

- All fundraising posts must comply with district fundraising policies.
- Avoid promising items, services, or outcomes that have not been approved by the school or district.
- Use booster club funds and social media accounts **only for official booster purposes**, not for personal or commercial promotion.

6. Account Management

- Booster clubs should maintain clear procedures for **transferring account access** during leadership transitions.
- At least two booster officers should have admin access to each social media account.

LIABILITY INSURANCE

In accordance with Sanger ISD Board Policy GKD (LOCAL), all PTO/Booster Clubs are required to maintain and provide proof of adequate liability insurance coverage for any activities conducted on school premises.

Proof of coverage must be submitted as requested by the District. PTO/Booster Clubs are responsible for ensuring their insurance policies are current and sufficient for the scope of their activities.

Additional information regarding insurance requirements is available on the District website under the Risk Management Booster Club/PTO page.

TEXAS SALES TAX RULES FOR PTO/BOOSTER CLUBS

General Guidelines

- Purchases made directly by Sanger ISD are tax-exempt. Sales tax should not be paid on District purchases, and the District will not reimburse sales tax paid in error.
- PTO/Booster Clubs are **not automatically tax-exempt**. Organizations must apply for and receive tax-exempt status from the Texas Comptroller of Public Accounts.
- For additional information, visit:
<https://comptroller.texas.gov/taxes/exempt/PTO/Booster.php>

Sales Tax Permit Requirements

- PTO/Booster Clubs that sell items to students, parents, or the public must obtain their own Texas Sales Tax Permit.
- This permit allows the organization to purchase items for resale without paying sales tax at the time of purchase by issuing a **Texas Sales Tax Resale Certificate** to the vendor.
- Sales tax must then be collected and remitted to the state when items are sold.

Important Reminders

- Sales conducted by PTO/Booster Clubs are generally taxable unless a specific exemption applies.
- Questions regarding taxability or compliance should be directed to the Texas

Comptroller of Public Accounts.

- Each PTO/Booster Club must maintain its own sales tax permit. Organizations may not use:
 - Another PTO/Booster Club's permit
 - The Sanger ISD tax identification number
- To apply for a permit, visit:
<https://comptroller.texas.gov/taxes/exempt/PTO/Booster.php>
- Additional guidance: <https://comptroller.texas.gov/taxes/publications/94-183.pdf>

U.I.L. BOOSTER CLUB GUIDELINES

PTO/Booster Clubs supporting extracurricular programs must follow all rules and guidance established by the University Interscholastic League (UIL).

For complete guidelines, visit: <https://www.uiltexas.org/policy/guidelines-for-Booster-club>

Contact Information:

University Interscholastic League
1701 Manor Road
Austin, Texas 78722
Phone: (512) 471-5883

FEDERAL TAX INFORMATION

This section provides general tax information for PTO and Booster Clubs. Each PTO/Booster Club is responsible for obtaining appropriate professional tax advice regarding its own reporting and filing requirements. The information provided is not intended to be exhaustive or specific to any individual organization. All PTO/Booster Clubs are expected to remain in compliance with applicable federal and state regulations.

Why Become Tax-Exempt?

The IRS Tax Code provides special designation for certain organizations identified as **tax-exempt**. For qualifying public **501(c)(3)** organizations, some key benefits include:

- Exemption from federal income tax on revenues raised
- Donors may be eligible to claim tax-deductible contributions (subject to IRS guidelines)
- No annual Form 990 filing requirement if gross receipts are typically \$25,000 or less

Requirements and Restrictions for Tax-Exempt Status

To maintain tax-exempt status, PTO/Booster Clubs must comply with specific IRS requirements:

1. Benefit to the Group, Not Individuals

- Funds and resources must benefit the student group as a whole, not individual members.
- All students in the organization must be treated equitably and given equal opportunity to benefit.
- No individual student may receive preferential financial benefit unless based on a documented financial hardship policy.
- Written financial hardship criteria should be established in advance, applied consistently, and not changed on an annual basis.

2. Voluntary Participation in Fundraising

- Participation in fundraising activities cannot be required for members or students.
- Individuals who do not participate in fundraising must still have equal access to benefits provided by the organization.
- Students or members may choose whether or not to participate without penalty or loss of opportunity.

3. No Required Fundraising Quotas

- Organizations may not require individuals to raise or sell a specific dollar amount.
- For example, PTO/Booster Clubs cannot require each member or student to sell a set number of items or reach a minimum sales goal.

501(c)(3) Tax-Exempt Status

PTO/Booster Clubs should apply for **501(c)(3) public charity status** when seeking federal tax exemption. This designation indicates that:

- The organization is tax-exempt under federal law
- The majority of funding is derived from public support
- Eligible donations may be tax-deductible (subject to IRS rules)
- The organization may qualify for additional benefits such as state tax exemptions and reduced postal rates

Employer Identification Number (EIN)

The IRS requires all organizations conducting financial activity to obtain their own **Employer Identification Number (EIN)** using Form SS-4.

- A social security number should never be used for organizational banking or business purposes
- PTO/Booster Clubs may not use the District's EIN
- Each organization must maintain its own independent EIN

PTO/Booster Clubs are independent entities and must register as either a nonprofit or tax-exempt organization if annual gross receipts exceed \$5,000.

Nonprofit vs. Tax-Exempt Status

- **Nonprofit status** is determined at the state level and may provide eligibility for certain state tax benefits (such as sales or property tax exemptions).
- **Tax-exempt status** is a federal designation governed by the IRS.
- Obtaining nonprofit status at the state level does not automatically grant federal tax exemption.

Applying for Tax Exemption

To qualify for federal tax exemption, organizations must meet IRS requirements under the Internal Revenue Code.

Additional guidance is available in **IRS Publication 557**, accessible at: www.irs.gov/charities



Sanger Independent School District Booster Club Guidelines Acknowledgment Form

(to be signed by each booster club officer)

As incoming _____ for the _____ Booster club, I have
[Officer Position] [Specific Sport/Activity]

read the Sanger Independent School District Booster Club Guidelines. I understand the procedures outlined in this document and will adhere to its instructions. At any time, should I have questions regarding procedures or information outlined in this document, I will contact my campus administrator or Head Coach and then the appropriate District personnel for further instruction.

Printed Name

Signature

Date