

**SCHOOL-CONNECTED ORGANIZATIONS**

- A. Each school-connected, parent/guardian, and/or booster club organization, whether separate or member of an umbrella organization, must have a written statement of purpose (or constitution) and bylaws enabling it to function as an organization. The Request for Authorization shall contain the following:
1. The name and purpose of the organization.
  2. The date of application.
  3. Qualifications for membership in the organization.
    - a. The principal or his/her designee may attend any meeting of the organization.
    - b. School principals, coaches, band directors, ASB directors, and similar school personnel are not to serve as officers in parent groups or booster clubs, or to sign checks on behalf of these organizations, when the school or the team they manage will benefit directly from the parent organizations. This does not restrict other school employees from performing these functions.
  4. The names, addresses, and phone numbers of all officers.
  5. 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.
  6. A projected budget and list of objectives, which is to be updated and submitted to the principal or his/her designee annually.
  7. The name of the bank where the group's account will be located and a list of those officers authorized to withdraw funds; whose names are to be submitted annually to the principal or his/her designee.
  8. A provision that expenditures directly related to a co-curricular/instructional program must be communicated with the principal or his/her designee prior to the purchase of item(s). Expenditures relating to the operating costs of the organization are exempt from this provision.
  9. An agreement to provide evidence of liability insurance as required by law.
  10. Description of the procedures the organization will use to prepare an annual audit or financial statement. The Articles of Incorporation and By-laws of a 501c3 organization are sufficient to meet this requirement.
  11. 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.
  12. The signature of the principal, supporting the request for authorization to organize.
  13. A requirement that, if an organization ceases to exist, all funds remaining in the account after the organization closes down will be transferred to the respective school's general student body funds.

## **SCHOOL-CONNECTED ORGANIZATIONS**

- B. Requests for subsequent authorization shall be presented to the Superintendent or designee annually, by October 1st of the new school year, along with the prior year's Balance Sheet and Income Statement showing all income and expenditures from fundraisers. Organizations that operated only in relation to a season of sport, or other specified co-curricular period, must submit their requests and previous season's financial reports thirty (30) days prior to the first scheduled activity in the program if they do not request annual continuing authorization.
- C. Funds raised by any of the organizations governed by this policy are to be used only to finance the program(s) supported by that organization.
- D. If a designee is necessary, the principal will appoint someone who will serve consistently for that organization.
- E. It shall be the prerogative of the Superintendent, upon the recommendation of the principal, to recommend to the Board the disassociation of the school from any organization at such time as he/she determines that the organization no longer functions in the best interests of the students, the school, and/or the District.
- F. Any school-connected, parent/guardian, and/or booster club organization's programs, fundraisers, or other activities, which use school facilities shall be authorized by the principal or his/her designee and conducted according to Board of Education policy, Administrative Regulations, rules of the sponsoring school, and District Civic Center procedures. (EC 51521)
- G. In addition to the requirements listed above, all school-connected, parent/guardian, and/or booster club organization shall comply with the following:
  - 1. School-connected, parent/guardian, and/or booster club organization funds are not to be co-mingled with student body funds.
  - 2. Student participation in fundraising activities will be governed by provisions of Education Code, Section 51520.
  - 3. The proceeds of fundraising may not be used for any expenditure prohibited by the Education Code provisions.
  - 4. School-connected organizations are prohibited from hiring or directly paying District employees. Organizations may make donations to the District to cover the costs of additional employees, but only if such positions are approved in advance by the Board of Education. At their discretion, employees may volunteer to perform activities for school-connected organizations during non-working hours.

**SCHOOL-CONNECTED ORGANIZATIONS**

5. All school-connected, parent/guardian, and/or booster club organizations are expected to comply with the reporting requirements of the Internal Revenue Service and the State Franchise Tax Board.
6. Each school-connected, parent/guardian, and/or booster club organization shall have among their officers, the office of auditor. The auditor shall have as part of his/her duties the following:
  - a. Receipt of bank statements directly from the bank and monthly reconciliation of bank accounts.
  - b. Annual audit of records and transactions.
    - (1) For school-connected organizations where annual gross receipts are \$25,000 or less, the auditor performs this function. An audit report, signed by both the club president and auditor, shall be submitted annually to the school principal within ninety (90) days after the close of the fiscal year. The annual report shall include the Audit Questionnaire as shown in the *Handbook for School-Connected, Parent/Guardian, and/or Booster Club Organizations*.
    - (2) For school-connected organizations where annual gross receipts are in excess of \$25,000, the annual audit is to be performed by a licensed auditor. The audit report shall be submitted annually to both the school principal and the Assistant Superintendent, Administrative Services within ninety (90) days after the close of the fiscal year. The audit report shall include the Audit Questionnaire as shown in the *School-Connected Organizations Accounting Guidelines*.
    - (3) In lieu of a licensed auditor, school-connected organization auditors may perform audits according to the following guidelines:
      - Annual gross receipts are less than \$100,000.
      - The school-connected organization's auditor attends the District-sponsored audit in-service program for the organization. This in-service program will review the steps necessary to complete the audit of school-connected organization's accounting records.
      - The school-connected organization's auditor agrees to perform the necessary audit steps as shown in the in-service program. The auditor shall then be authorized to serve in place of the licensed Auditor for a period not to exceed two (2) years.

## **SCHOOL-CONNECTED ORGANIZATIONS**

- (4) School-connected organizations with annual gross receipts in excess of \$100,000 are required to contract with a professional State-licensed auditor.
- H. The Director of Fiscal Services will provide an annual workshop on student body and school-connected, parent group, and booster club organizations' accounting procedures. PTA Officers attend this District training and/or financial training.
- I. All parent/guardian/booster organizations must have the following insurance coverage:
1. Liability Insurance: The District requires school-connected/ parent/ guardian/ booster organizations to provide proof of general liability insurance in the minimum amount of \$1,500,000, combined single limit, with the endorsement naming the District as an additional insured, when conducting activities on District property. (Ed Code 38134).
  2. Worker's Compensation: The organization must provide Worker's Compensation insurance if the organization has hired any employees.
  3. In addition, the following may be desirable, as the District does not provide this coverage:
    - a. Fire and/or Theft Insurance.
    - b. Bond Protection Insurance.
- J. Purchased items or equipment must be donated to the school for District inventory, meeting the District's donation policy stipulations.
- K. All transportation arrangements for students shall be made in accordance with Board of Education policy and administrative regulations, and approved by the principal or his/her designee.
- (cf. 3541.1 Transportation: School - Related Trips)*
- L. School-connected/parent/guardian/booster organizations shall secure approval from the District Human Resources Office for any individuals brought in to work directly with District students.
- M. If a school-connected/parent/guardian/booster organization does not agree with a decision relating to any of the provisions contained in this Regulation, the organization may appeal this decision, in writing, to the Superintendent or his/her designee.

## SCHOOL-CONNECTED ORGANIZATIONS

- N. One-time fundraising activities: Any individual(s) wishing to sponsor a one-time fundraising event, for the benefit of the District or its students, will be required to comply with the District's Civic Center Permit procedures. No other provisions of this Regulation will apply.

Should the same individual(s) decide to organize further fundraising activities, during the same school year, on behalf of the District or its students, they will need to meet the provisions of this Regulation.

- O. The District, on an annual basis, shall post on its website an updated copy of the District's, *Handbook for School-Connected, Parent/Guardian, and/or Booster Club Organizations*; which is considered a part of this Regulation.

- P. Within the first three (3) weeks of the school year, Principals or designees, shall meet with their Board-approved School-Connected Organizations, Parent Groups, and Booster Clubs and the faculty advisers to these groups to:

1. Review District Policy and Regulations 1230.
2. Explain how the school's calendar of activities operates; who must be contacted to place events on the calendar; and when and how events are placed on the calendar.
3. Distribute copies of:
  - a. *Handbook for School-Connected, Parent/Guardian, and/or Booster Club Organizations*.
  - b. Parent Group Accounting Guidelines.
4. Explain District/school regulations on use of facilities.
5. Indicate the type of activities and student trips that require administration and/or Board approval.
6. Obtain a copy of the organization's constitution and bylaws.
7. Affirm that the fundraising activities do not conflict with the operation of Food Services.