



**BRYANT SCHOOL DISTRICT**

**GUIDELINES for AFFILIATED SUPPORT ORGANIZATIONS**

**Adopted by School Board  
March 1, 2010**

## **Booster Clubs and Support Organizations Policy**

The Bryant Public School District recognizes that schools receive substantial assistance in providing co-curricular and extracurricular activities that are linked to its primary mission of meeting the academic, social, physical, and emotional needs of its students through support groups that form to lend help in a variety of ways. School programs are enriched and enhanced through the efforts of parents and other interested community members who form booster clubs and similar associations. Generally, these associations are organized to promote, advance, and financially support student participation in sports, music, and other activities.

While such organizations have no direct official link to the school or School District, there is reason to help ensure that operations are conducted in a manner that follows acceptable practices. Moreover, it is important that the school exercise its authority in making sure that it is associated with sound and reputable organizations and that any efforts undertaken on its behalf are compatible and in harmony with established District policies and procedures.

Therefore, the School Board assigns the Superintendent the responsibility to develop guidelines to govern booster clubs and other organizations that form to support school co-curricular and extracurricular programs. Such procedures shall include any roles and responsibilities deemed necessary to help ensure sound fiscal policies to govern money collections and recordkeeping as well as internal and external controls.

While it is not the intention of the School Board to undertake direct responsibility for the activities or management of the support organizations, it is critical that our community trust those who solicit and manage funds intended to serve our students are operating in a sound, reliable fiscal mode of operation. It is also imperative that fund raising and other efforts to support school programs operate in concert with the administration and staffs of our schools.

## Guidelines

### I. Introduction

An affiliated SUPPORT ORGANIZATION is a group of parents/guardians and/or interested adult community members who are approved by the Superintendent and the appropriate school principal to form an organization to enhance a program, activity, or athletic team through fundraising and services. The organization must have approved by-laws and a statement of purpose on file in the principal's office. All decisions related to the day-to-day operations of the school-sponsored activity are the sole responsibility of the faculty sponsor/coach under the supervision of the principal. The following general rules apply to organizations that form as affiliated support organizations:

- A. The school principal has final authority on the existence of any and all support organizations and of any and all activities thereof.
- B. A listing of all affiliated Support Organizations with current approval status will be maintained on the District web site, and local merchants and financial institutions will be directed to verify approved status before transacting business with, or providing financial support to, organizations that represent themselves as associated with the District.
- C. School-allied organizations such as booster clubs, except for PTOs, may not incorporate the school's name as part of their official name (i.e., "Bryant High Basketball Booster Club" should be "Hornet Basketball Booster Club" or similar) without the annual written approval of the school principal. A school principal may rescind permission for an organization to use the school name in its title at any time with written notice. An appeal of the principal's decision not to allow an organization associated with the school to use the school name may be made to the Superintendent. The decision of the Superintendent is final.
- D. The members of a booster club are the parents/guardians and/or interested adult community members who support the activity or team that the booster club has been authorized to support. Membership in PTO includes teachers and other staff members.
- E. A minimum of one general membership meeting per year shall be held.
- F. A faculty sponsor/coach must attend all general membership meetings and all board meetings. Minutes of all meetings shall be maintained with copies to the faculty advisor/coach and to the school principal.
- G. The role of the faculty sponsor/coach is to serve as a liaison and to communicate to the support organization membership the needs of the program and/or activity. The faculty advisor/coach coordinates the work of the organization with the total school program. The faculty advisor/coach is not a member of the booster club and may not serve as an officer of the organization. If the booster club has an executive board, the faculty sponsor/coach is to serve on that board in an advisory capacity.
- H. No faculty advisor/coach shall at any time transact financial business or exercise control over any funds of the organization.

- I. A booster club does not have to maintain an executive board. However, if a board exists, the membership should include parents/guardians and/or interested adult community members. School employees may not serve as officers of support organizations at the school of employment. However, school employees may serve as an officer at another school.
- J. At least one representative (officer) AND the faculty sponsor/coach from each affiliated organization must attend an annual informational/training session provided by the District in order to maintain approved status.

## **II. Support Organization By-Laws**

- A. Each support organization must develop and maintain by-laws that are jointly reviewed on an annual basis by the school principal and the support organization officers.
- B. The by-laws shall contain the detail of the rules of membership.
- C. This document must address the organization's fiscal year, organizational structure and the method used to elect officers.
- D. There shall be a limit of two consecutive terms of service for the President and Treasurer.

## **III. Annual Audit & Audit Committee**

- A. At the end of the fiscal year, an audit of the booster club's financial records shall be conducted by an audit committee.
- B. The audit committee shall consist of 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.
- C. The primary objectives of the audit are to:
  - Verify the accuracy of the Treasurer's financial reports;
  - Ensure that the organization's cash balances are accurate;
  - Determine that established procedures for handling organization funds have been followed;
  - Ensure that expenditures occurred in a manner consistent with the organization's by-laws; and
  - Ensure that all revenues have been appropriately received and recorded.
- D. All members of the audit committee shall sign a statement indicating their agreement with the findings detailed in the report.
- E. 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.

- F. A copy of the completed audit shall be submitted to the School District Treasurer no later than August 31 each year for the preceding school year.
- G. All officers of the organization shall make records available as requested by the committee.
- H. The District Board of Education reserves the right to request any records (financial or otherwise) of the organization, and to expect that any such request will be granted within 60 days of the date of request.

#### **IV. Fund Raising Procedures**

Support organizations and Booster Clubs are required to observe the following procedures related to fund raising activity:

- A. All booster club activities and fundraisers require school principal approval. The faculty sponsor/coach completes all necessary paperwork and submits it for the principal's approval. The principal of the school has the overall responsibility for approving fundraising activities, as well as the control of all activities, and the usage of all school facilities.
- B. Support organizations cannot use the School District tax ID number and are not entitled to use the school's tax-exempt status when making purchases. The support organization must order any merchandise in its own name as it is responsible for the payment of the merchandise. Ordering merchandise in the name of the school implies that liability for the expense will be assigned to the school in case the support organization does not pay for the merchandise. Merchandise ordered by an outside organization must not be shipped to the school unless the school principal has agreed in advance to permit the merchandise to be shipped to the school. No merchandise can be stored on school premises without the authorization of the school principal or designee. Notwithstanding the principal's consent, the school will not assume responsibility for theft, loss or damage to merchandise stored on school premises.

#### **V. School Sponsored Activities**

- A. Allowable activities meeting any of the following criteria are considered school sponsored, and shall be accounted for through the Bryant School District accounting system:
  - Activities of any kind that involve a school employee handling or controlling monies as part of his/her involvement in the activity and/or overall employment responsibilities;
  - Activities of school recognized student groups; i.e., classes and clubs;
  - Activities that are considered "extra-curricular" or extensions of the school program (i.e., Athletic games, Classes and Clubs events) wherein student talent in the event is utilized and for which an admission/participation fee is charged.

- Revenue generated from admission/participation fees must be accounted for in the school's accounting system. However, at the principal's discretion, business transactions related to events involving student talent, such as the sale of event programs and concessions, may be conducted separately by a booster organization.
  - Activities involving merchandise purchased for re-sale by the school or a school employee, or that comes at any time into the direct custody of a school employee.
- B. Students are permitted to handle funds and participate in approved fundraising activities conducted by booster club(s).

## **VI. Affiliated Organization Financial Practices**

Supporting groups and organizations affiliated with Bryant Schools are independent organizations that work closely with the school(s) they support but do NOT maintain a formal, direct relationship with the School District. Such organizations should take steps necessary to protect officers and board members from liability and losses. It is recommended that all such support organizations seek registration with the Arkansas Secretary of State as an appropriate corporate entity. It shall be the responsibility of each organization to seek legal and financial advice and to take steps that will best serve its members. Monies raised by the membership are considered to be private funds and not public funds. Each organization shall obtain its own Employer Identification Number (EIN). The EIN identifies the club as a unique legal entity apart from the Bryant School District, and this number should be used on all bank accounts and tax returns. An application for a EIN can be completed online at <http://www.irs.gov/business/small>.

The following minimum financial practices are required to operate as an approved booster organization:

- A. *Record Keeping* -- The secretary and/or treasurer of the organization shall turn records over to the incoming officers within 30 days of election. Records should be kept for a period of 5 years for audit purposes.
- B. *General Financial Information* -- The organization's by-laws shall stipulate the creation and approval, by its membership, of an annual budget. This is typically done in late spring or early fall for the upcoming school year. The budget shall be submitted to the school principal to review for reasonableness. A copy of the budget shall be forwarded to the Bryant Schools District Treasurer and kept on file in the District Central Office.
- C. *Internal Controls* -- In order to protect the support organization, its members, and its financial well being, standard internal controls shall be in place. The following is a summary of basic internal controls necessary to prevent the loss of funds through carelessness, mistakes, or misappropriation:
  - *Bank Accounts* -- Booster organizations shall establish a checking account at a LOCAL bank or credit union. Accounts should be established with at least three individuals on the signature card. Checks should require the signature and authorization of two officers. Another individual should review the bank

statement and its contents for reasonableness and compliance with Treasurer reports, the budget, and the ongoing business of the organization. Bank statements should be reconciled within 30 days of the date of the statement to ensure that possible inaccurate transactions are identified and communicated to the financial institution for correction.

- *Cash and Receipts* -- All cash collections received by the support organization for fees, dues, fundraising, etc. should be deposited upon receipt. Deposits shall be made daily if the total receipts on hand exceed \$250. If daily receipts are less than \$250, deposits shall be made within one week even if the receipts for all days combined are less than \$250. All monies should be deposited prior to holidays and weekends. Funds received should be supported by some type of record documenting the source and amount of funds (tabulation of monies collected form SIGNED BY TWO TABULATORS, cash receipt form, ticket sales record, etc.). Documentation should be readily available for audit purposes. Cash should be adequately safeguarded at all times. Support organization funds collected should not be maintained at a member's home. Every effort should be made to balance funds collected the day of the event, prepare appropriate deposit documentation, and submit deposit to a bank or bank night drop for deposit and safekeeping. Money from concession sales should be handled in the same manner. Employees of the Bryant School District SHALL NOT take on the responsibility for verifying receipts, deposits, or cash balances for any monies or funds belonging to any Support Organization at the school(s) or campus(es) where they work. (For example, teachers may be involved in collecting funds raised from students; school secretaries may assist in gathering funds from teachers or students at their school; employees may serve as concession stand workers, etc.; but in all cases, members/officers who are NOT school employees should bear the responsibility for tabulating and depositing receipts, preparing financial reports and records, and verifying fund balances of any Support Organization.)
- *Disbursements* -- Checks should not be generated without proper documentation (i.e. invoice, original receipts, etc.). Documentation should also include the signature of the President or Vice President. Checks should require the signature of a second officer. Checking account debit cards should NOT be used due to the second signature requirement for all disbursements. Cash payments shall not be made to School District employees for ANY services associated with booster activities. Checks should NEVER be made payable to "cash" for any reason.
- *Cash Receipt Procedures* -- All bank deposits should be recorded in a cash receipts book. The receipt book is a bound book containing a pre-numbered original and a carbon. The original should be given to the person from whom the money is collected and the carbon copy is retained in the book as part of the booster club's permanent record. A separate pre-numbered receipt should be written for each category (fund raisers, dues, hat sales, etc.) being deposited in the bank.
- *Bank Reconciliation* -- Upon receipt of the monthly bank statement, the balance indicated on the statement should 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 30 days of the date of the bank statement. Most banks send a reconciliation form that can be used to balance with the general ledger.

- D. *Reporting Requirements* – Organization Treasurer shall prepare a report of beginning cash balance, revenues & expenditures, and ending balance as often as required by the organizations by-laws, not less frequently than once each calendar quarter. The Treasurer shall provide a comprehensive annual financial report to the School District within 30 days of the end of the school year. The annual report shall bear the signature of the Treasurer, the President of the organization, and at least one other organization officer or member who can attest to the accuracy of the statements of financial condition contained in the report.

## **VII. Special Circumstances**

These guidelines are intended to be flexible enough to allow for unforeseen situations and instances where it is too onerous to apply some provisions. In some cases, support organizations may form for short term or special circumstances or may be of such small membership that compliance with some guidelines may be difficult or unnecessary. To allow for special issues, an organization may ask for waivers or special consideration by making requests in writing to the school principal. If the school principal approves, the request shall be passed on to the Superintendent for final approval. If the school principal denies the request, an appeal of the decision may be made to the Superintendent. The decision of the Superintendent shall be final.