

School-Support Organizations

The following guidelines are provided for use by booster and/or PTSA/PTSO groups which are involved in money-raising activities:

- A. Local booster clubs and PTSAs/PTSOs should be incorporated as nonprofit organizations.
- B. In order to receive nonprofit status, the group must file articles of incorporation and bylaws with the Secretary of State. A nonprofit organization must adhere to state laws [RCW 24.03].
- C. The board of directors of the school district has established a fee schedule that governs the use of facilities by a school-support organization.
- D. The nonprofit organization must operate without cost to the district.
- E. The Washington State Gambling Commission, the Department of Licensing and the Internal Revenue Service have licensing regulations covering fund raising activities by nonprofit corporations.
 - 1. A nonprofit corporation may conduct sales or benefit affairs which include athletic or sports events, bazaars, benefits, campaigns, circuses, contests, dances, drives, entertainments, exhibitions, expositions, parties, performances, picnics, sales, social gatherings, theaters, and variety shows. A nonprofit corporation may operate bingo activities, raffles, and amusement games under requirements regulated by the Washington State Gambling Commission [RCW 9.46].
 - 2. A charitable organization involved in sales and benefits grossing over \$5,000 must obtain IRS recognition.
 - 3. When bingo, raffles, and amusement games are conducted, the State Gambling Act controls. These activities, under the State Gambling Act, may be conducted by nonprofit organizations without a gambling permit under certain conditions specified in law [RCW 9.46.0311]. However, a nonprofit organization must obtain IRS recognition as a tax exempt association regardless of gross income.
- F. If a school support organization holds a fund-raising activity at a school, on or off district property, or involving students, the entire activity must be entirely conducted at the direction and/or supervision of the PTA, PTSA, PTO, or booster group in order for the money generated from the event to belong to the group. Fundraising activities must be conducted outside of the instructional day. The organization will inform school district administration of activities taking place.

To qualify as a non-district school support organization fund-raising event or activity, the following criteria must be met:

- 1. The organization must have been involved in the creation and planning of the activity, the implementation, operation and management of the activity, and must

handle all financial aspects of the activity (including, but not limited to: cash handling, reconciling, product management, sales, and security of cash assets and inventory).

2. The organization must provide the majority of the workforce (through its volunteers) for the activity.
 3. The organization must be the authorizing signer of any contracts involved.
 4. The organization must clearly advertise the activity as a PTA, PTSA, PTO, or booster group event.
 5. The organization must comply with district facility use procedures.
 6. The organization must provide appropriate insurance coverage for the activity.
- G. The established procedures for accepting gifts (Policy 6114) must be followed in order for an individual district employee, school, program, or department to accept donations of funds, materials, supplies, or equipment from outside school support organizations. Such organizations need to be aware of the Title IX equity issues when donating money and/or equipment to school athletic programs. Any donation that impacts district facilities or affects new educational programs must have prior approval from the Superintendent.
- H. Students are discouraged from collecting money for the PTA, PTSA, PTO, or booster groups. If students are asked to participate in outside organization fund-raising activities, their participation must be voluntary, infrequent, and not during instructional time. Student participation must comply with Student Fund-Raising Activities Procedure 3530, including having prior approval from the principal or their designee.
- I. Employee participation, cooperation, and support are encouraged, where appropriate, in such organizations. Employees shall not hold an official position, have signature authority, or financial responsibilities within the school support organization if such participation poses a conflict of interest with their district employment. Employees must verify the appropriateness of such participation with their respective building principal or supervisor. Employees shall not receive compensation from the school support organization. Employees should be involved only on their personal (non-staff) time unless the employee's job description requires service in an advisory capacity. District employees should not sign contracts or agreements involved with a PTA, PTSA, PTO, or booster group sanctioned/sponsored activity and should not handle or secure funds generated by any fund-raiser.

Cross References:

Procedure 3530P
Board Policy 6114

Student Fund-Raising Activities
Gifts

Updated: 1/10/2020