

Angleton ISD

**Parent
Organization**

**Fundraising
Manual**

ANGLETON INDEPENDENT SCHOOL DISTRICT

VISION

Achieving Excellence Because We're Wildcats

MISSION STATEMENT

Our mission is to educate and prepare each student academically and socially through supportive relationships to maintain our thriving community.

BELIEFS

At Angleton Independent School District, we believe:

- All students can learn
- The learning environment must be positive, genuine, caring and safe for students and staff to reach their potential
- In clearly defined goals that set high expectations for student success
- In the value of parents and families as involved decision-makers
- In viable curriculum and future-oriented programs
- In developing and retaining staff who positively affect student achievement
- Actively engaging the community results in development of our children

FORWARD

Every year, students, parents, teachers and community members join forces to raise funds for special projects for the students of the Angleton Independent School District. Because of the dedication and hard work of these people, our students have the opportunity to receive scholarships, enjoy playground equipment and travel to places as close as the Houston Zoo and as far away as New York City.

This manual is designed to provide organizational and financial guidance to the officers of Angleton ISD parent organizations. Please be aware that only organizations which have prior approval may raise funds on school property, at school activities and/or as representatives of the Angleton ISD.

Thank you for your dedication to the children of this school district. Working together, we can help all of our students achieve their dreams.

It is the policy of the Angleton Independent School District not to discriminate on the basis of race, color, national origin, sex, handicap, or age as required by Title VI of the Civil Rights Act of 1964, as amended; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975, as amended; and Section 504 of the Rehabilitation Act of 1973, as amended.

AUTHORITATIVE GUIDELINES

Parent organizations are governed by various entities. The school district has Board Policies and guidelines that must be followed by Parent Organizations, as well as guidelines that the School Principal or District Administrator may implement. Also, parent organizations must follow the guidelines of the University Interscholastic League (UIL); the State of Texas; and the federal government, through the Internal Revenue Service (IRS). Some state regulations relate to state sales tax while other regulations involve becoming incorporated or involve holding a raffle. All of these will be discussed more thoroughly in this manual.

BOARD POLICIES TO REVIEW

Board Policy CDC (LOCAL);
Board Policy CFD (LOCAL);
Board Policy FJ (LOCAL);
Board Policy GE (LOCAL); and
Board Policy GKB (LOCAL).

See Appendix A – Angleton ISD Board Policies – <https://pol.tasb.org/Policy/Code/217?filter=GKB>
and

Appendix B – UIL Booster Club Guidelines – <https://www.uil texas.org/policy/guidelines-for-booster-clubs>

FORMATION OF A PARENT ORGANIZATION

ARTICLES OF INCORPORATION

A parent organization should be a recognized non-profit organization. A non-profit organization is created by filing articles of incorporation with the Secretary of State in accordance with the Texas Non-Profit Corporation Act. A non-profit corporation is characterized by the fact that none of the income of the organization is distributable to members, directors, or officers.

The completion of the two-page Form 202 – *Certificate of Formation: Non-Profit Corporation* is sufficient to meet all six required articles of incorporation. This form is available on the Secretary of State's website <https://www.sos.state.tx.us/>.

APPLICATION FOR FEDERAL TAX EXEMPT STATUS

Upon acceptance by the Secretary of State of the Form 202, a certificate of incorporation will be issued which serves as conclusive evidence of non-profit corporate existence. This leads to the next step in the process, filing with the Internal Revenue Service.

Formation of a non-profit corporation does not necessarily entitle the organization to exemption from federal taxes. In order to be exempt from federal taxes, the non-profit organization must apply for this status on Form 102 – *Application for Recognition of Exemption Under Section 103(c)(3)*. General instructions on the rules and procedures can be found in IRS Publication 557 – *How to Apply for Recognition of Exemption for an Organization*. These documents are available on the Internal Revenue Service website <https://www.irs.gov/>.

The application must be accompanied by Form 8718, *User Fee for Exempt Organization Determination Letter Request*, which provides a user fee to be paid to the Internal Revenue Service. The fee is dependent on the anticipated annual gross receipts.

Upon acceptance of the organization's exempt status by the Internal Revenue Service, a determination letter will be received as evidence of approval. The letter should be kept in a safe, permanent place as it will be used time and again to prove the organization's federal tax-exempt status. In addition, a copy of the letter needs to be included in the parent organization's fundraiser packet provided to the Business Office prior to fundraising.

Each organization must also file for an employer identification number on Form SS-4, *Application for Employer Identification Number*. This form and additional information is also available on the Internal Revenue Service website <https://www.irs.gov/>.

APPLICATION FOR STATE TAX EXEMPT STATUS

After all required forms are received and approved by the Internal Revenue Service, a letter will be sent confirming the organization as a federally recognized tax-exempt organization. This letter is needed for the next step.

The organization should next apply for an exemption from sales and franchise tax to the Texas State Comptroller's office. This is done by written request, which includes a description of activities, copies of articles and bylaws, and a copy of the IRS letter granting tax exemption. Further information may be obtained on the Comptroller's web site <https://comptroller.texas.gov/>.

ANNUAL FILING REQUIREMENTS

Every parent organization exempt from federal income tax under section 501(a) [which includes 501(c)(3)] is required to determine the necessity of filing an annual Form 990, *Return of Organization Exempt from Income Tax*. It is the responsibility of the organization to determine whether filing is required and, if so, to complete the required filing.

Further, even though parent organizations may be recognized as tax exempt, the organization may be liable for tax on the portion of income deemed to be unrelated business income (UBI). UBI is income from a trade or business activity, regularly carried on that is not substantially related to the charitable, education or other purposes that are the basis for the organization's exemption. Each organization must determine whether additional forms must be filed in this regard. More information can be obtained from publication 598, *Tax on Unrelated Business Income of Exempt Organizations*. It is the responsibility of the organization to determine whether filing is required and, if so, to complete the required filing.

More information on the above can be found on the Internal Revenue Service website <https://www.irs.gov/>. These forms may require the assistance of a skilled income tax return preparer. The organization is responsible for compliance with any required annual federal and state submissions.

PUBLIC DISCLOSURE

A nonprofit organization must provide copies on request of its original application for tax exemption, including any supporting documents filed by the organization in support of its application. In addition, the organization must provide copies of its annual IRS information returns for the past three years, including all schedules and attachments. When a request for information is made in person, the parent organization is required to furnish the requested information immediately under IRS guidelines. Further, the organization will be required to comply with the timelines established by the Texas Public Information Act, Texas Government Code Chapter 552.

Parent organizations are exempt from the above requirements, with the exception of requests under the Texas Public Information Act, if they have made the documents widely available, such as posting them on a website, or if it can be demonstrated that the requests are part of a harassment campaign. Requests made under the Texas Public Information Act may be subject to limited exceptions and should be immediately forwarded to the campus administrator for review. If the organization elects to post the information on a website, specific IRS criteria must be followed which produces an exact reproduction of the information. HTML format is not acceptable. It is acceptable to post financial information in a database of other charitable organizations such as GuideStar which can be located at <https://www.guidestar.org/>.

ORGANIZATIONAL BYLAWS

Each parent organization must develop and maintain bylaws that are jointly reviewed on an annual basis by the District authorized sponsor and the organization's officers.

The bylaws should contain the details of the rules of membership. This document must address the organization's fiscal year, organizational structure and the method used to elect officers. Only active members in good standing should be permitted to hold office or vote on any matter of business of the organization.

Bylaws should also set forth how special situations will be handled, i.e. dissolution of the organization, if and how scholarships will be awarded are just a few of the potential special situations that should be considered for inclusion in the bylaws.

OFFICERS AND THEIR DUTIES

Employees of the District are not allowed to serve in a financial capacity of a parent organization. Financial capacity includes holding positions of treasurer, fund-raising chairperson, or serving as a check signer. At a minimum, the organization should elect the following officers on an annual basis:

PRESIDENT

Typically, the president of an organization is an individual who has previously been active in the organization. The major duties include, but are not limited to, the following:

- Preside at all meetings of the organization.

- Regularly meet with the authorized District sponsor regarding organization activities.
- Resolve problems in the membership.
- Regularly meet with the treasurer of the organization to review the organization's financial position.
- Select an officer as the designee to receive bank statements through the mail at their home address. This individual should not be a signer on the account. Upon receipt, the designee should review the activity on the bank statement and canceled checks for reasonableness. This provides an independent review by an individual not associated with disbursement activity.
- Schedule annual audit of records or request an interim audit if the need should arise during the year.
- Perform any other specific duties as outlined in the bylaws of the organization.

VICE PRESIDENT

The vice president acts as the president's representative in his/her absence. The vice president must remain familiar with the organization. The major duties include, but are not limited to, the following:

- Preside at meetings in the absence or inability of the president to serve.
- Perform administrative functions delegated by the president.
- Perform other duties as stated in the bylaws of the organization.

Note: Larger parent organizations may find it necessary to elect several vice presidents with responsibility over differing areas. Such positions should be clearly defined in the bylaws of the organization.

SECRETARY

The secretary is responsible for keeping accurate records of the proceedings of the organization and reporting to the membership. The secretary must ensure the accuracy of the minutes of the meetings, and have a thorough knowledge of parliamentary law and the organization's bylaws. The major duties include, but are not limited to, the following:

- Report on any recommendations made by the executive board of the parent organization, if such a governing board is defined by the bylaws.
- Maintain the records of the minutes, approved bylaws and any standing committee rules, current membership and committee listing

- Record all business transacted at each meeting of the organization as well as meetings of any executive board meetings in a prescribed format.
- Maintain records of attendance of each member.
- Conduct and report on all correspondence on behalf of the organization.
- Other duties as stated in the bylaws of the organization.

TREASURER

The treasurer is the authorized custodian of the organization's funds. The treasurer receives and disburses all monies indicated in the budget or prescribed in the local bylaws or as authorized by action of the association. It is recommended all persons authorized to handle funds of the organization be covered by a fidelity bond in an amount based upon the organization's annual income and determined by the executive board. The major duties include, but are not limited to, the following:

- Serve as chairperson of the Budget and Finance Committee, if prescribed within the bylaws of the organization.
- Issue a receipt for all monies received and deposit said amounts on a weekly basis (daily if receipts on hand exceed \$250.00).
- Present a current financial report including bank statements, bank reconciliations, and financial statements to the executive committee within thirty days of the previous month end. Copies should be available for review by the general membership if requested.
- Maintain an accurate and detailed account of all monies received and disbursed
- Reconcile all bank statements as received and resolve any discrepancies with the bank immediately
- File sales tax reports as required by the State Comptroller's office (monthly, quarterly, or annually).
- File annual IRS Form 990 in a timely manner.
- Submit records to upon request to the audit committee appointed by the organization or at the end of the organization's fiscal year.
- Other specific duties as outlined in the bylaws of the organization.

NOTE: Due to the increasing requirements placed on non-profit organizations by the Internal Revenue Service, it is strongly recommended that the Treasurer have an accounting background. The Treasurer should also have an understanding of the Governmental Accounting Standards Board Statement #39, which can be found on the GASB website <https://gasb.org/>.

The secretary and treasurer of the organization should turn records over to the incoming officers within 60 days of election. Records should be kept for a period of 7 years for audit purposes.

PARLIAMENTARIAN – strongly suggested but not required

The primary duty of the parliamentarian is to advise the presiding officer on parliamentary law and matters of procedure when requested. The president, or presiding officer of the organization, has the sole authority to make decisions or rule on a point of order. Thus, after the parliamentarian has given their advice, the presiding officer must make the ruling to the organization, but is not obligated to follow the recommendation of the parliamentarian. The parliamentarian should be thoroughly familiar with the bylaws and any standing rules of the organization. A copy of [Roberts Rules of Order: Newly Revised](#) should be maintained by the organization and referenced as needed.

ELECTION OF OFFICERS

The election of officers of the organization should occur annually within the timelines and manner prescribed by the organization bylaws. Typically the election of officers should occur by May of each year so that the newly elected officers may be in place for the start of the next school year. The transfer of records and an audit of the financial records should be complete no later than July 1st of each year.

Officers may be elected in a variety of methods (simple majority, secret ballot) in accordance with the organization's bylaws. The election of officers should be from a slate of officers presented by a nominating committee in the spring of each school year. Recommendations may also be taken from the floor at the time of the vote in accordance with *Roberts Rules of Order*. At no time should officers be appointed without the input and approval of the membership.

SPECIAL COMMITTEES

Special committees are created for a specific purpose and voted upon by the membership. The committee is automatically dissolved as soon as that purpose is accomplished and the committee report is made. Special committees should complete their assignments within the current school year. If the objectives are not met at the end of the school year, officers should reappoint members of the committee for the following

year until the purpose of the committee has been achieved. Individuals who have a conflict of interest should not be allowed to serve as members of the committee. For example, senior parents should not be included on a scholarship committee since their child is a potential recipient of the monies.

NOMINATING COMMITTEE

The nominating committee should be formed from the organization's membership in the spring of each year. The purpose of the committee is to recommend various members of the organization for office in the coming school year. The nominating committee should be charged with soliciting recommendations for officer positions within the organization. The committee should then contact the potential candidate directly to ascertain their willingness and desire to serve. The nominating committee should report back to the membership on their results in the spring so that elections may be held.

AUDIT COMMITTEE

An audit of the organization's financial records should be conducted at the end of the fiscal year (preferably the school year). The audit should be performed by individuals who are independent of the 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 as few as two individuals. The primary objectives of the audit committee 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 bylaws.
- Ensure that all revenues have been appropriately received and recorded.

The audit committee should make a report to the general membership upon completion of the audit. Any discrepancies noted should be brought to the attention of the president of the organization and a resolution reached prior to presentation. All officers of the organization should provide records as requested by the committee.

See Appendix C – Parent Organizations – Suggested Audit Procedures

OTHER SPECIAL COMMITTEES

There are other special committees the organization may feel the need to form. There are an endless amount of special committees that can be formed to assist in the day to day operation of the organization. A few possible special committees are:

- Budget Committee – to review potential needs and create a draft budget prior to submitting the potential budget to the organization to consider, discuss and vote.
- Fundraising Committee – thoroughly research and consider different fundraising ideas prior to submitting the potential fundraisers to the organization for consideration and vote.
- Scholarship Committee – review and revise the eligibility and requirements for scholarship applicants.
- Scholarship Review Committee – verify and vet applications received to ensure all qualifications set forth in the bylaws are met prior to submitting suggestions for scholarship recipient to the organization for consideration and vote.

STANDARDS FOR MEETINGS

Notice of all meetings of the parent organization should be published at the appropriate affiliated campus 72 hours prior to the meeting date. The notice should clearly indicate the date, time and location of the meeting and the items to be discussed. The District sponsor or his/her designee must be present at all organization meetings. Business determined at meetings without the District Sponsor or his/her designee shall be considered null and void.

RULES FOR DISSOLUTION

To dissolve a parent organization, a resolution must be adopted by the organization (or the executive board if the organization is inactive) stating that the question of dissolution be submitted to a vote at a special meeting of the members having voting rights. At least 30 days prior to the meeting, a written or printed notice should be given to each member entitled to vote stating the purpose of such meeting is to consider the advisability of dissolving the organization. The organization must determine the distribution and usage of treasury monies and other assets before dissolution. In order to comply with Internal Revenue Service guidelines, care should be taken to ensure that excess funds are distributed within the framework of the organization's original purpose. For example, band booster funds would remain with the musical program at the

appropriate affiliated campus. Any other distribution of funds could void the organization's tax exempt status and force it into a fully taxable situation.

FINANCIAL RECORDS

GENERAL

Parent organizations should establish a checking account at a local bank, credit union or other reputable financial institution. Checks should require the signature and authorization of at least two organization officers. Bank statement should be reconciled within 30 days of the date of the statement to ensure that inaccurate or questionable transactions are identified and communicated to the financial institution for correction.

A wide variety of computerized accounting packages are available to assist the organization in accurately accounting for financial transactions. Each organization should adopt an accounting package or computerized accounting method which will meet the needs of the organization for several years. Software packages should be evaluated upon their ease of use, cost, and required training.

At a minimum, the organization's membership should be provided with a current financial statement at each meeting. The financial statement should provide a comparison of budgeted versus actual expenditures and receipts. Cash receipts and disbursement reports should be available for review when needed or at the annual audit.

FINANCIAL REPORTING TO THE SCHOOL DISTRICT

The Governmental Accounting Standards Board (GASB) Statement No. 39 (a federally recognized accounting rule) requires the District obtain and review financial performance information of parent organizations to determine whether these organizations should be considered a component unit. For this reason, all parent organizations are required to submit to the Finance Director end-of-year financial statements (including balance sheet and income statement). Financial statements should be provided by September 15th of each year. These records will in turn be provided to the District's independent financial auditors for determination of component unit status.

See Appendix D – GASB 39 Organization Form

CASH RECEIPT PROCEDURES

All cash collections received by the organization for fees, dues, fundraising, etc. should be deposited upon receipt. All funds should be supported by some type of record documenting the source and amount of funds (tabulation form, cash receipt form, ticket sales record, etc.). Such documentation should be readily available for audit purposes.

Deposits should be made when total receipts exceed \$250. If daily receipts are less than \$250, deposits should be made within one week even if the receipts for all days combined are less than \$250. All money should be deposited prior to holidays and weekends.

Bank deposits should be prepared as follows to ensure the integrity of the financial reporting:

1. Separate all currency and coins by denomination, and carefully count and record it in the appropriate section of the bank deposit form.
2. List as many checks as possible on the deposit slip.
3. A tally tape should be run of any checks included in the deposit. A copy of the tape should be retained with your copy of the deposit records.
4. Total the deposit slip.
5. Tally the pre-numbered cash receipts and make certain this total matches the deposit total.
6. Attach the cash receipt verification with a copy of the deposit slip and file in date order.
7. For large deposits, have another individual independently count the currency only (not the coins or checks) and verify that the currency has been correctly recorded on the deposit slip.
8. Both individuals should initial the deposit slip next to the currency amount on the deposit slip.
9. Seal the deposit in a deposit bag in the presence of the second individual. This is called dual control and places the organization in a better position to challenge any claim that the bank may make that the currency received was not correct.

PETTY CASH

An organization may maintain a small petty cash account. Strict controls must be maintained by keeping the petty cash in a locked box accessible by only the treasurer and one other officer. Control of the petty cash account by a district employee is not allowed.

Petty cash funds should be used for emergency purchases of \$100 or less only. All other purchases should be made with an organization check. Upon disbursement through the petty cash account, a receipt for the purchase should be retained. At any given time, the amount of petty cash remaining and the aggregate total of receipts on hand should equal the amount of the established petty cash account.

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. If at all possible, a computerized reconciliation program should be used in conjunction with the organization's financial package.

DISBURSEMENT OF FUNDS

At the beginning of each school year, a budget of anticipated expenditures should be developed. Prior to a disbursement, the request to expend funds should be compared with the budgeted expenditures. Disbursements outside the scope of the budget or line items that exceed the approved budget should require a vote by the general membership. Direct payment to District employees are not permitted with parent organization funds; nor is the purchase of alcoholic beverages.

Parent organizations may not contribute funds in an effort to increase the personnel allocations and/or stipends of a particular program or campus without the express written approval of the Superintendent.

A disbursement voucher should be completed for all expenditures regardless of the amount. The appropriate supporting documentation (invoices, receipts) should then be attached to the disbursement form and filed in check number order. At no time should a check be issued without the appropriate supporting documentation.

To ensure compliance with UIL guidelines governing student activities, all disbursements relating to parent organization activity shall require the approval of the appropriate District Director.

See Appendix B – UIL Booster Club Guidelines

1099 REQUIREMENTS

Internal Revenue Service guidelines require that all payments for services in excess of \$600.00 made to an individual by a parent organization be reported on a form 1099 on an annual basis. The parent organization should secure an IRS form W-9 from the provider at the time of service to ensure that the parent organization has an accurate record of the taxpayer identification number or social security number. The parent organization must then issue a form 1099 to all qualifying vendors for the calendar year by January 31st and submit the form 1096 Transmittal to the IRS. The following guidelines can be used to determine if reporting is required:

- **Risk of profit or loss** - Independent contractors realize a profit or sustain a loss based on their success in performing the work or service.
- **Continuing relationship** - The relationship between an independent contractor and employer ends when the job is done.
- **Compliance with instructions** - Independent contractors cannot be told when, where, or how to do the job.
- **Training** - Independent contractors do not go through any type of instructional training period with a more experienced employee to learn how to do the job. Independent contractors specialize in the field in which they have been employed and do not require training.
- **Personal service required** - The right of an independent contractor to substitute another's services without the employer's knowledge shows that one particular individual's personal services are not being required by the employer.
- **Integration into the business** - The success or continuation of the business is not dependent on the independent contractor's performance of the service.
- **Control over the hiring, supervising, and paying of assistants** - Independent contractors maintain control of their assistant. The employer contacts the independent contractor if there is a problem, and the employer pays the independent contractor for the work done. The independent contractor then pays the assistants directly.
- **Set hours of work** - An independent contractor sets working hours.
- **A full-time work requirement** - An independent contractor has the availability to work for more than one client.
- **Working for more than one firm** - An independent contractor has an established business in which they work for more than one firm.
- **Worker's availability to the general public** - An independent contractor makes services available to the public on a regular and consistent basis.
- **Working on the employer's premises** - An independent contractor works off-premises unless the nature of the service to be performed requires attendance at the employer's work site.

- **Required work order or sequence** - An independent contractor does not need to be told in what order or how to do a job as he/she is considered an expert in the field.
- **Required reports** - An independent contractor is not required to submit oral or written reports.
- **Payment by the hour, week, or month** - An independent contractor is paid in a lump sum fee basis when the job is done. An invoice must be generated to substantiate the payment.
- **Payment of business or travel expenses** - An independent contractor is responsible for his/her own business or travel expense. If paid by an employer, the employer must include the expense amount in the independent contractor's 1099 (unless you can verify an accountable plan).
- **Furnishing of tools and materials** - An independent contractor has the necessary tools and materials to do the job.
- **Investment in facilities** - If the independent contractor maintains an office on the employer's premises, he/she must pay a rent or lease payment for the office space as well as the overhead.
- **Employers discharge rights** - An independent contractor cannot be terminated as long as he/she is fulfilling the contract.
- **Worker's termination rights** - An independent contractor may be held financially responsible for any loss the employer may suffer due to an incomplete, inaccurate or unsatisfactorily completed contract.

The Internal Revenue Service website should be accessed for appropriate 1099 reporting requirements and forms at www.irs.ustreas.gov. The parent organization is responsible for compliance with these federal submissions.

FUNDRAISING

ANGLETON ISD PROHIBITS ALL DOOR-TO-DOOR SOLICITATIONS AS WELL AS INDIVIDUAL INCENTIVES FOR STUDENTS.

TRAINING FOR OFFICERS

All officers of parent organizations must attend a fundraising meeting provided by the District Business Office annually. Each officer needs to sign the official sign-in sheet to receive credit for attending the meeting. Fundraiser applications will not be approved until all officers have signed an official fundraiser meeting sign-in sheet.

LICENSING – POWERCAT MARK

Angleton ISD enters into an annual License Agreement to use the Kansas State University Powercat Mark. Parent organization's use of the Powercat Mark under Angleton ISD's License Agreement is prohibited. Parent organizations will need to negotiate a License Agreement prior to using the Powercat Mark in any brochures, flyers, programs or advertising the organization produces. Spirit items with the Powercat Mark that are ordered from a printing company such as Zeigler's or J & M, should be covered by the License Agreement the company already has in place for use of the Powercat Mark.

Powercat Mark for reference:



FUNDRAISING FORMS

Each parent organization will need to complete and forward the following documents to the District Business Office:

Fundraising Form Checklist – reference only – does not need to be turned in

1. Organization Profile Sheet
2. Attestation Form - each organization officer must complete this form
3. Goals & Objectives Planning Sheet – listing all possible fundraisers for the year
4. Copy of Bylaws
5. Copy of Tax Exempt and/or 501(c)(3) determination letter
6. Copy of meeting minutes – fundraisers voted on and approved
7. Fundraiser Request Form – one for each fundraiser, with the appropriate District Sponsor's signature as well as any other required signatures
8. 501(c)(3) organizations only – if holding a raffle for a fundraiser, submit a copy of the raffle ticket for approval *prior* to ordering the raffle tickets – see section on raffles for additional information
9. Appreciation Sign fundraiser pre-approval form – see *Appreciation Signs – Athletic Fields* section for specific guidelines and steps request this type of fundraiser

Fundraiser Request Forms will not be approved until documents 1-6 have been received by the District Business Office.

See Appendix E – Organization Fundraiser Forms

IMPORTANT FUNDRAISER FORM NOTES:

- Complete all forms in their entirety, all blanks need to be completed including the projected profit.
- Fundraisers must have a definite beginning and ending date. Fundraisers shall not be 'all year long'. If the parent organization feels a fundraiser needs to be all year long, break the fundraiser up by semesters and submit 2 separate request forms.
- Fundraisers have not been approved until you receive a purple profit report with an assigned fundraiser number.
- The due date for the Purple Profit Report and Money Count Worksheet(s) to be turned in will be on the Purple Profit Report along with the assigned fundraiser number. If an extension for the due date is needed, contact the Business Office.
- Advertising or beginning fundraisers prior to receiving approval is strictly forbidden.

INDIVIDUAL STUDENT ACCOUNTS

Parent organizations should not credit "individual" student accounts based on the student or parent's participation in fundraising events, nor should student credit for fundraising be based on a proportionate share of the amount that is 'earned' by the student or parent during the fundraiser.

This practice may jeopardize an organization's tax-exempt status under the Internal Revenue Code and/or may create taxable income to the individual that raised the money. A tax-exempt organization is established to benefit a group as a whole instead of benefiting individual members of a group. Organizations should not maintain individual accounts that are earmarked for a particular individual, and organizations should seek professional tax advice regarding questions about such practices.

FUNDRAISING PARTICIPATION AND QUOTAS

Parent organizations should not require a member to participate in fundraising activities. Coupled with this, members should not be required to sell or raise a certain amount. As indicated above, both of these practices may jeopardize an organization's tax-exempt status with the IRS. However, parent organizations may develop specific criteria that must be met in order for a benefit to be given to a member, such as attendance.

RAFFLES

School districts are prohibited by Texas law from sponsoring or conducting any raffle or bingo game conducted for the purpose of raising money. However, there is a state *Charitable Raffle Enabling Act* that allows certain organizations that support schools to conduct raffles under certain conditions. Section 2002.002(6) of the *Charitable Raffle Enabling Act* defines a raffle as the award of one or more prizes by chance at a single occasion among a single pool or group of persons who have paid or promised a thing of value for a ticket that represents a chance to win a prize.

The language of the law is very technical. The *Charitable Raffle Enabling Act* permits “qualified nonprofit organizations” to hold up to two raffles per calendar year with certain specified restrictions.

The information provided herein is strictly for guidance. If the organization is considering holding a raffle, the officers must review statutes to ensure the organization qualifies to do so and complies with the law, which can be found by following these links: Ken Paxton, Attorney General of Texas’ *Charitable Raffles and Casino/Poker Nights* easy to understand document:

<https://www.texasattorneygeneral.gov/divisions/financial-litigation/charitable-trusts/charitable-raffles-and-casinopoker-nights> or the actual statute: <https://statutes.capitol.texas.gov/Docs/OC/htm/OC.2002.htm>

It is strongly recommended that a parent organization considering holding a raffle contact the Secretary of State or a licensed attorney to make sure the organization is a “qualified organization” eligible to hold a raffle.

Any raffles held on district property must be clearly advertised as a parent organization event and not an Angleton ISD program event.

GENERAL RAFFLE GUIDELINES – FOR QUALIFIED NONPROFIT ORGANIZATIONS

Each ticket must indicate the name and address of the organization, name of an officer, price of the ticket and a description of each prize valued at \$10 or more. No prize may be valued in excess of \$50,000;

Each organization may hold no more than two raffles per year and only one at a time.

- Tickets may not be advertised through paid advertising;

- A raffle prize may not be cash or a negotiable instrument such as a check, money order, or certificate of deposit. However, savings bonds, prepaid or “store-value” credit cards are acceptable as they are not considered negotiable instruments;
- The parent organization must have the prizes in its possession before beginning the raffle or post a bond for the full value with the county clerk;
- No one may be compensated directly or indirectly for organizing or conducting a raffle or for selling raffle tickets;
- Only members of the parent organization may sell the tickets (students may not sell raffle tickets);
- The winner must pay income tax on any prize. If the value exceeds \$600, the organization must provide an IRS form 1099 to the recipient; and
- Phone solicitation may not be used to promote the event.

ADVERTISING SIGNS

See Appendix F Advertising Signs Guidelines

DONATIONS

School district staff and students are discouraged from accepting gifts of value. Students engaged in UIL activities shall not accept gifts except as provided by UIL Constitution and Contest Rules.

Donations to the District are governed by Board Policy CDC (LOCAL), which states any donations to the District shall become the sole property of the District. Any gift that the potential donor has expressly made conditional upon the District’s use for a specified purpose, or any gift of real property requires Board approval.

Further, gifts to the District must meet the following criteria:

- Must have purpose consistent with established District purposes;
- Shall not place restrictions on the school program;
- Shall not require the exclusive endorsement of a specific business or product;
- Shall not conflict with policies or actions of the Board or public law; and
- Is not excessively expensive to operate or maintain and does not result in equipment at any school being materially different from equipment at other schools.

To be deductible as a charitable contribution, a payment to a charity must be a gift. A gift to charity is a payment of money or transfer of property without receipt of adequate consideration and with donative intent. Generally Accepted Accounting Principles require that the asset be recorded at its fair market value at the time of the donation. The District will make no determination of value for Internal Revenue Service purposes.

SALES TAX

TAX FREE SALE DAYS

A nonprofit organization that has received an Internal Revenue Service exemption under Section 501(c)(3) can qualify for Texas sales and franchise taxes exemptions. A parent organization that has one of these 501(c) federal exemptions must apply to receive these tax exemptions by completing and submitting Form AP-204 along with a copy of its IRS exemption letter to the Comptroller's office. After the Comptroller's office notifies the organization of its exempt status, the organization can hold two one-day, tax-free sales or auctions each calendar year.

Two Tax Free Sale Days per calendar year:

- One day means 24 hours and delivery must be during that 24 hours
- The transfer of property must be during that on 24 hour period
- You may have pre-orders, but the payment and delivery must happen within that designated 24 hour period.
- Any sales after that day for the same items are considered taxable
 - For example: orders are taken for yearbooks. The payment and delivery of the yearbooks is set for one specific day. The day of payment and delivery would classify as one of the tax-free events for that campus or group. Any yearbook sales after that one day would be taxable sales.

See Appendix G – Comptroller.Texas.Gov Taxes - School Fundraisers

TAXABLE STATUS OF PURCHASES

- A parent organization must provide the vendor with a valid signed exemption certificate when claiming state sales tax exempt status. Exemption certificates do not require numbers to be valid nor is the vendor required by law to honor the exemption.

- **The District exemption status may not be utilized by parent organizations to secure exemption from sales and excise taxes. Parent organization must apply for their own exemption.**
- Items that become the personal property of the student (cheerleader uniforms, band t-shirts, etc.), even though connected with a school or organization, are not exempt from tax. Items which are purchased by the parent organization through budgeted funds as an award to a student are not taxable.
- Meals purchased by the organization for athletic teams, bands, or other school groups on authorized school trips are exempt from sales tax if the organization contracts for the meals. The parent organization must pay for the meals with a parent organization check and provide an exemption certificate.
- Individual members of the athletic team, band, or other school group may not claim exemption from the sales tax on the meals they purchase while on a school authorized trip.

COLLECTION AND REMITTANCE OF SALES TAXES

The parent organization shall collect sales tax on all taxable sales according to the tax schedule.

When imposing sales tax, the organization has the option of:

- Adding the tax to the item's selling price – thus, if the selling price of an item were \$2.00 and the tax rate were 8.25%, the school would collection \$2.17 ($\2.00×1.0825) from the buyer for each item sold.
- Absorbing the tax in the item's selling price – thus if the item sold for \$2.00 including tax, the school would retain \$1.85 and remit \$0.15 for sales tax. ($\$2.00/1.0825$) assuming sales tax is 8.25%.

TAXABLE STATUS OF SALES

Parent organizations need **NOT** collect sales tax on the following:

- Admission tickets
- Club Memberships
- Sales of food and soft drinks sold at school functions

Therefore, state and local sales shall be imposed and collected on all sales for:

- Items sold by the school store (i.e. pencils, erasers, paper),

- Any type of parent organization materials (i.e. sports ribbons before contests),
- Any other item sold as personal property (i.e. pictures, uniforms, t-shirts),
- All sales of items such as handicrafts, t-shirts, candles, cups, books, and school supplies sold by a parent organization during a fundraising drive,
- All other personal property except for those items specifically excluded above.

Sales tax should be filed in accordance with the Comptroller's guidelines (typically on an annual basis). Further information can be found on the comptroller's website <https://comptroller.texas.gov/>.

TITLE IX

Title IX is a federal law enacted in 1972 which protects individuals in education programs or activities from discrimination based on sex. It states that, "No person in the United States shall on the basis of sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any educational program or activity receiving federal financial assistance."

Title IX, which is promulgated by the U.S. Department of Education, applies to all aspects of education and related programs, not just athletics. It requires that equal opportunities be provided for members of both sexes. It does not require that each team receive exactly the same services and supplies, but rather that the male and female programs collectively, receive comparable levels of service, facilities, supplies, etc.

Since parent organization's funding and activities are included in the analysis of the District's compliance with Title IX, parent organizations should have an awareness of the law and the District's requirement for compliance.

SCHOLARSHIP PROGRAMS

Parent organizations should implement scholarship programs consistent with all other District scholarship programs. Requirements include:

- All qualifying seniors must have the opportunity to apply for the scholarship(s).
- The application process should be reviewed and approved by the campus principal or designee to ensure that implemented processes are consistent with other scholarship programs on the campus.

- The application process must be clearly communicated, and the application forms must be readily available to all potential applicants and their parent and/or guardian before the end of the first grading period of the academic year.
- The Scholarship Review Committee must consider all qualifying applicants.
- The Scholarship Review Committee must be appointed by the President of the parent organization before the first day of the academic year.
- The Scholarship Review Committee must be made up of an odd number (5-7) of members (parents from the organization who do not have children eligible for consideration for the scholarship, interested teachers, campus administrators, and/or the sponsor). Note: Many times the sponsor is an ex-officio member of the Scholarship Review Committee and not an actual voting member, but a source.
- The qualification criteria for selection of scholarship winners (if any) must be communicated in writing to all potential applicants before the end of the first grading period of the academic year and may not be changed during the scholarship award period. Any changes to the scholarship qualification criteria must be recommended by the sponsor and voted on by the organization's membership no later than the May parent organization meeting for changes effective in the upcoming academic year.
- The application scoring, decision materials, tabulation, notes, certified recordings, and/or any other documentation used by the Scholarship Review Committee in connection with a given applicant shall be made available upon written request to that applicant. An open records request fee may be charged for this service. The Scholarship Review Committee must retain the original materials for a minimum of seven years.
- Scholarship applicants shall be full-time Angleton ISD senior students at a particular high school campus for a minimum of one full semester prior to the application deadline.
- All completed applications must be turned in to the campus Lead Counselor no later than the deadline set for local scholarship applications or April 1st (whichever comes first).
- All scholarship applications which do not have the required information will be considered incomplete and returned to the applicant.
- Scholarship awards may not be "need" based, but applicants who have received full scholarships from other sources may not be eligible for local scholarships.
- The applicant's enrollment in an accredited institution (college, university, trade school, military academy, etc.) is a requirement for receiving scholarship funds.

The Scholarship Review Committee may require an essay for judging purposes and scholarship points. Essay topics may be selected each year and given to all applicants, or the Scholarship Review Committee may allow each applicant to select their own topic upon the sponsor's approval.

If desired, essays should be original works of the applicant and have a minimum and/or maximum number of words. The applicant must be willing to relinquish all rights to his/her work.

Other areas where scholarship points may be earned should include responsibility, character, outside activities, leadership, academics, attitude, behavior, attendance, participation, service, involvement, attitude, and others at the sponsor's discretion. The organization may or may not require interviews of applicants in the decision process. If an interview is part of the process, it should be communicated no later than the end of the first grading period of the academic year. The applicant's parent or guardian must be permitted to be present at any interview. Interview topics should be communicated to the applicant not less than seventy-two hours prior to the interview.

SUMMARY OF GUIDELINES

The following guidelines apply to all parent organizations. If a question should arise which cannot be resolved by the District authorized sponsor and the organization's officers, the Financial Director should be contacted for clarification.

- Failure to follow policies and procedures of the District may result in refusal by the District and/or campus principal to allow related activities on the campus.
- All meeting shall be public and announced in advance in accordance with the bylaws.
- The District authorized sponsor or his/her designee must be present at all parent organization meetings.
- Any action taken at the meeting will be subject to review and revocation by the District authorized sponsor or principal. A revocation may be appealed to the Finance Director.
- The regular school program and extra and co-curricular activities of the school and programs sanctioned by TEA, UIL and district affiliated organizations will take precedence over parent organization activities.
- Parent organization members are expected to follow the same standards of conduct as District employees when chaperoning, sponsoring or attending student activities, including rules in the campus and student handbook.
- Each individual student's, or group of students' participation will be determined by the District authorized sponsor and the principal and not by the organization or any member(s). Participation is considered to be a privilege and not a right, and will be based on a proven record of good conduct and dependability. Lack of such demonstrated behavior on the part of anyone will be grounds for disapproval for participation and travel.

- There will be no student activities, parties, meetings, travel, or other gathering in the name of the parent organization unless prior permission has been received from the authorized District sponsor, and the principal or the sponsor is present. All activities will be under the auspices of the school and the District.
- School employee and student planning and preparation for activities supported by the parent organization will occur outside the school day or as approved by the principal.
- Activities and travel sponsored by parent organizations must be outside the school day or as approved by the authorized District sponsor or principal.
- No cash will be given to any school employee to use at his/her discretion.
- The purchase, sale or consumption of alcoholic beverages or tobacco while on school property or in the presence of students, is specifically prohibited.
- Parent organizations shall not directly support political activities by providing campaign donations or placing advertisements in support of a particular candidate as doing so could jeopardize the tax-exempt status of the organization. If a candidate running for office is invited to join a meeting, all candidates running for the office must be extended an invitation to the event.
- Parent organizations may not contribute funds in an effort to increase the personnel allocations and/or stipends of a particular program or campus without the express written approval of the Superintendent.
- Parent organizations may not contribute funds for contracted services or campus travel to enhance professional development without the express written approval of the Superintendent.

Parent Organization Fundraising Manual

APPENDIX A Angleton ISD Board Policies

Note: For purposes of this policy, the terms “gift” and “donation” have the same meaning.

Unsolicited Gifts

Authority to Accept

The Board delegates to the Superintendent the authority to accept unsolicited gifts on behalf of the District. However, any gift that the potential donor has expressly made conditional upon the District's use for a specified purpose, or any gift of real property, shall require Board approval.

Once accepted, a gift becomes the sole property of the District.

*Criteria for
Acceptance*

The District shall not accept any gift that would violate or conflict with policies of or actions by the Board or with federal or state law.

Before the Superintendent accepts a gift or recommends acceptance of a gift to the Board, as applicable, the Superintendent shall consider whether the gift:

1. Has a purpose consistent with the District's educational philosophy, goals, and objectives;
2. Places any restrictions on a campus or District program;
3. Would support a program that the Board may be unable or unwilling to continue when the donation of funds is exhausted;
4. Would result in ancillary or ongoing costs for the District;
5. Requires employment of additional personnel;
6. Requires or implies the endorsement of a specific business or product [see GKB for advertising opportunities];
7. Would result in inequitable funding, equipment, or resources among District schools or programs;
8. Obligates the District or a campus to engage in specific actions; or
9. Affects the physical structure of a building or would require extensive maintenance on the part of the District.

Solicitations

An employee who solicits gifts on behalf of the District or for use in the fulfillment of his or her professional responsibilities shall comply with relevant state and federal law and any District administrative regulations.

All donations solicited on behalf of the District, including solicitations in the name of the District or a campus, or donations solicited using District or campus resources, become the sole property of the District.

OTHER REVENUES
GIFTS AND SOLICITATIONS

CDC
(LOCAL)

Web-Based
Solicitations

An employee may solicit web-based donations of money or items for use by the employee in fulfilling his or her professional responsibilities or for the District's use, including "crowdfunding." However, an employee shall obtain prior approval from the employee's supervisor before using the name or image of the District, a campus, or any student.

ACCOUNTING
ACTIVITY FUNDS MANAGEMENT

CFD
(LOCAL)

**Fiduciary
Responsibility**

The Superintendent, principal, and sponsor, as applicable, shall be responsible for the proper administration of District and campus activity funds and student activity funds in accordance with state law and local policy, District accounting practices and procedures, and the Texas Education Agency (TEA) *Financial Accountability System Resource Guide*.

**Student Activity
Funds**

The Superintendent shall ensure that student activity accounts are maintained to manage all class funds and other funds raised and collected by student clubs or organizations for a school-related purpose. The principal or designee shall issue receipts for all funds prior to their deposit into the appropriate District account at the District depository.

Student activity funds shall be included in the annual audit of the District's fiscal accounts. [See CFC]

**Use and
Expenditure**

Funds collected by student groups shall be used only for purposes authorized by the student club or organization. The principal and sponsor shall manage and approve all disbursements. All funds raised by student organizations must be expended for the benefit of the students.

**District and Campus
Activity Funds**

The Superintendent shall ensure District accounting practices and procedures address the expenditure of District and campus activity funds generated from vending machines, rentals, gate receipts, concessions, and other local sources of revenue over which the District has direct control. Funds generated from such sources shall be expended for the benefit of the District or its students and shall be related to the District's educational purpose.

Approval

Approval from the immediate supervisor or designee shall be obtained prior to a disbursement being made to any employee, including the principal.

Carryover Funds

All funds shall be left in the appropriate account and each sponsoring group shall retain the carryover funds for the next fiscal year. If a club or organization ceases to function or exist, the unexpended funds shall be credited to the appropriate administrative activity account.

STUDENT FUNDRAISING

FJ
(LOCAL)

Administrative regulations shall address student fundraising plans, approval of fundraising activities, and any required reporting on fundraisers by campus administrators.

With at least one employee managing each project, students representing their school or the District may participate in approved fundraising to benefit the District or a nonschool, charitable organization. Participation shall be voluntary and shall be approved only when the fundraising activity relates to the District's educational mission.

Fundraising shall not be permitted during class time. [See EC]

Fundraising through sales of foods and beverages that could be consumed during the school day shall meet the requirements for competitive foods unless the District allows an exception from the competitive food requirement, as permitted by state and federal law. [See CO and FFA]

RELATIONS WITH PARENT ORGANIZATIONS

GE
(LOCAL)

District-affiliated school-support organizations and booster organizations, and other parent groups, shall organize, fundraise or solicit donations, and function in a way that is consistent with the District's philosophy and objectives, Board policies, District administrative regulations, applicable UIL or other governing association guidelines, and financial and audit regulations. [See also CDC and CFC]

Before engaging in fundraising or soliciting gifts, an organization or group shall notify the principal or other appropriate administrator identified in administrative regulations. [See CDC(LOCAL) for District acceptance of gifts and solicitations]

**Use of District
Facilities**

District-affiliated school-support or booster organizations may use District facilities with prior approval of the appropriate administrator. Other parent groups may use District facilities in accordance with policy GKD.

COMMUNITY RELATIONS
ADVERTISING AND FUNDRAISING

GKB
(LOCAL)

**Promotional
Activities**

District facilities shall not be used to advertise, promote, sell tickets, or collect funds for any nonschool-related purpose without prior approval of the Superintendent or designee.

[For information relating to nonschool use of facilities, see GKD.]

Advertising

For purposes of this policy, "advertising" shall mean a communication designed to attract attention or patronage by the public or school community and communicated through means under the control of the District in exchange for consideration to the District. "Advertising" does not include public recognition of donors or sponsors who have made contributions, financial or otherwise, to the District or school support organizations.

Advertising shall be accepted solely for the purpose of generating revenue for the District and not for the purpose of establishing a forum for communication. The District shall retain final editorial authority to accept or reject submitted advertisements in a manner consistent with the First Amendment. The District shall retain the authority to determine the size and location of any advertising. The District reserves the right to reject advertising that:

1. Is inconsistent with federal or state law, Board policy, District or campus regulations, or curriculum;
2. Is inappropriate in a school setting with a student audience;
3. Advertises products presenting a health hazard;
4. Creates a substantial likelihood of material disruption, including adding to the District's obligations for security and facilities maintenance; or
5. Adds to the District's administrative burden by exposing the District to complaints, controversy, or litigation.

The District shall not accept paid political advertising.

Acceptance of advertising shall not constitute District approval or endorsement of any product, service, organization, or issue referenced in the advertising, nor shall acceptance of advertising from a vendor determine whether the District will purchase goods or services from the vendor through the District's formal procurement process.

[For information relating to school-sponsored publications, see FMA.]

**Sponsorships and
Donations**

If the District or any campus accepts financial or in-kind donations to support District-sponsored activities, the District reserves the right to acknowledge donors through whatever means the District

deems appropriate. The District retains full editorial control over its acknowledgment or display of donations, even if donors are permitted to suggest text for the acknowledgment.

Parent Organization Fundraising Manual

APPENDIX B UIL Booster Club Guidelines



Booster Club Guidelines



Be they music, fine arts, academic or athletic, booster clubs should exist to enrich students' involvement in extracurricular activities without endangering their eligibility.

| GENERAL GUIDELINES |

The role of competition

Participation teaches that it is a privilege and an honor to represent one's school. Students learn to win without boasting and to lose without bitterness.



Self-motivation and intellectual curiosity are essential to the best academic participants. Artistic commitment and a desire to excel are traits found in music participants. Physical training and good health habits are essential to the best athletes. Interscholastic competition is a fine way to encourage youngsters to enrich their education and expand their horizons.

Leadership and citizenship experiences through school activities help prepare students for a useful and wholesome life.

Plus, competition is fun!

Role of the Superintendent

Member schools make UIL rules and determine policies regarding penalties to schools, school district personnel and student participants. The superintendent is solely responsible for the entire UIL program. All school activities, organizations (including the booster club), events and personnel are under the jurisdiction of the superintendent. Booster clubs must recognize this authority and work within a framework prescribed by the school administration.



Role of Booster Clubs

Neighborhood patrons form booster clubs to help enrich the school's participation in extracurricular activities. The fund-raising role of booster clubs is particularly crucial in today's economic climate.

Written Policies

Booster clubs should develop and annually review policies to cover:

- *how to obtain administrative approval before beginning projects;
- *how to plan and publicize meetings;
- *bookkeeping and fund administration including process to obtain superintendent's approval prior to raising or spending funds;
- *election of officers (suggestion: one president; one secretary; one treasurer; and three vice - presidents: one vice

president to oversee fall, winter and spring sports);

- *taking, distributing and filing minutes;

- *public communication;

- *proper interaction with fine arts directors and academic and athletic coaches through the lines of authority as established by the school board;

- *a sportsmanship code governing behavior of booster club members and fans at contests, treatment of officials, guests, judges, etc.; and

- *plans to support the school regardless of success in competition, keeping the educational goals of competition at the forefront of all policies.

Relationship with the school

The superintendent or a designee who does not coach or direct a UIL contest has approval authority over booster clubs and should be invited to all meetings. All meetings should be open to the public.

- *Booster clubs do not have authority to direct the duties of a school district employee. The scheduling of contests, rules for participation, methods of earning letters and all other criteria dealing with inter-school programs are under the jurisdiction of the local school administration.

- *Minutes should be taken at each meeting and kept on file at the school.

- *School administration should apprise booster clubs of all school activities.

- *Booster clubs should apprise school administrators of all club activities.

- *Periodic financial statements itemizing all receipts and expenditures should be made to the general club membership and kept on file at the school.

| CLUB FINANCES |

Fundraising | Spending | Stipends | Gifts to Coaches

Money given to a school cannot be earmarked for any particular expense. Booster clubs may make recommendations, but cash or other valuable consideration must be given to the school to use at its discretion.

- *Fund-raising projects are subject to state law. Nonprofit or tax-exempt status may be obtained from the Internal Revenue Service.

- *Community-wide sales campaigns should be coordinated through the school administration to minimize simultaneous sales campaigns.

- *Sales campaigns should be planned carefully to insure that the projects provide dollar value for items sold, and that most of the money raised stays at home. Otherwise donations are often more rewarding than letting the major part of the

money go to outside promoters.

- *Fund-raising activities should support the educational goals of the school and should not exploit students. Activities and projects should be investigated carefully before committing the school's support.

- *Individuals who actively coach or direct a UIL activity should serve in an advisory capacity to the booster club and should not have control or signature authority over booster club funds, including petty cash or miscellaneous discretionary funds. Coaches wish-lists should have received prior approval from school administration before submission to boosters.

- *Coaches and directors of UIL academics, athletics and fine arts may not accept more than \$500 in money, product or service from any source in recognition of or appreciation for coaching, directing or sponsoring UIL activities. The \$500 limit is cumulative for a calendar year and is not specific to any one particular gift.

- *The district may pay a stipend, fixed at the beginning of the year, as part of the annual employment contract. The amount of the stipend can't depend on the success of a team or individual. In other words, a coach can't receive more money if a team or individual qualifies to region or state.

- *Funds are to be used to support school activities. To provide such funding for non-school activities would violate UIL rules and the public trust through which funds are earned.



| ATHLETIC BOOSTERS |

Club restrictions

Booster clubs cannot give anything to students, including awards. Check with school administrators before giving anything to a student, school sponsor or coach. Schools must give prior approval for any banquet or get-together given for students. All fans, not just members of the booster club, should be aware of this rule. It affects the entire community.

- *Unlike music and academic booster clubs, athletic booster club funds shall not be used to support athletic camps, clinics, private instruction or any activity outside of the school.

- *Booster groups or individuals may donate money or merchandise to the school with prior approval of the administration. These kinds of donations are often made to cover the cost of commercial transportation and to cover costs for out-of-town meals. It would be a violation for booster groups or individuals to pay for such costs directly.

- *Individuals should be informed of the seriousness of violating the athletic amateur rule.

The penalty to a student-athlete is forfeiture of varsity

athletic eligibility in the sport for which the violation occurred for one calendar year from the date of the violation. Student athletes are prohibited from accepting valuable consideration for participation in school athletics - anything that is not given or offered to the entire student body on the same basis that it is given or offered to an athlete. Valuable consideration is defined as tangible or intangible property or service including anything that is usable, wearable, salable or consumable. Local school districts superintendents have the discretion to allow student athletes to accept, from their fellow students, small 'goodie bags' that contain candy, cookies or other items that have no intrinsic value and are not considered valuable consideration.

*Homemade "spirit signs" made from paper and normal supplies a student purchases for school use may be placed on the students' lockers or in their yards. Trinkets and food items cannot be attached. Yard signs made of commercial quality wood, plastic, etc. if not purchased or made by the individual player's parent, must be returned after the season.

*The school may provide meals for contests held away from the home school. If the school does not pay for meals, the individual parents need to purchase their own child's food. Parents may purchase anything they wish for their own child but may not provide food for their child's teammates unless approved by the school. The school may also provide supplies for games and practices and transportation for school field trips. Students should pay admission fees during school field trips.

*Parties for athletes are governed by the following State Executive Committee interpretation of Section 441 of the UIL Constitution & Contest Rules.

Official Interpretation of the UIL Athletic Amateur Rule, section 441 of the UIL Constitution and Contest Rules:

(a) VALUABLE CONSIDERATION SCHOOL TEAMS AND ATHLETES MAY ACCEPT:

1. Pre-Season. School athletic teams may be given pre-season meals, if approved by the school.

2. Post-Season. School athletic teams may be given post-season meals if approved by the school. Banquet favors or gifts are considered valuable consideration and are subject to the Awards and Amateur Rules if they are given to a student athlete at any time.

3. Other. If approved by the school, school athletic teams and athletes may be invited to and may attend functions where free admission is offered, or where refreshments and/or meals are served. Athletes or athletic teams may be recognized at these functions, but may not accept anything, other than food items, that is not given to all other students.

(b) ADDITIONAL VALUABLE CONSIDERATION THAT SCHOOL TEAMS AND ATHLETES MAY ACCEPT

Examples of additional items deemed allowable under this interpretation if approved by the school, include but are not limited to:

1. meals, snacks or snack foods during or after practices;
2. parties provided by parents or other students strictly for an athletic team

Local school district superintendents continue to have the discretion to allow student athletes to accept small "goodie bags" that contain candy, cookies or other items that have no intrinsic value and are not considered valuable consideration.

| ACADEMIC BOOSTERS |

The rules for athletics are different than the rules for academics and music. Athletes are restricted by the Athletic Amateur Rule, which states that athletes cannot accept money or valuable consideration for participating in a UIL sport or for allowing their names to be used in promoting a product, plan or service related to a UIL contest. Academics has no amateur rule. Journalism participants may work for a newspaper and be paid. Actors may work summer stock and be paid. Students may win calculators and software for participating in invitational math contests.



UIL academic students are restricted by the Awards Rule. So, as a general practice, booster clubs should not give gifts or awards to students for their participation in UIL contests that count toward district, region or state standing. School booster clubs may raise money to purchase letter jackets, provided the funds are given to the school without designation to buy jackets for particular students and the school determines criteria for awarding the jackets. Parents may purchase jackets for their own children provided the school designates the student as being qualified to receive the jacket.

Booster Clubs may raise money to provide an annual banquet for academic participants and coaches.

With prior administrative approval, you may also:

*Purchase equipment for programs such as computers or software for yearbook or computer science;

*Organize and chaperone trips and assist with expenses for travel to academic competitions or educational trips such as journalism conventions or speech tournaments. Booster club funds may be used to provide food and refreshments for students on these trips. A purely recreational trip to Six Flags

Over Texas would not meet the definition of an educational field trip and could be considered a violation of the Awards Rule;

- *Run tournaments, organize fund-raising efforts, recruit corporate donors, raise money for scholarships and arrange for tutors and professional trainers to work with students;

- *Fund academic workshop scholarships provided selection of the recipients is not based solely on their success in interscholastic competition. Selection could be based on grade point average or the student's selection of high school courses. All students meeting the conditions for scholarship assistance should be notified and eligible for financial assistance. Funds should be monitored to ensure that they are expended for camp or workshop purposes.

We wish we had more academic booster clubs, whether they cover UIL academic competition in general or specific programs such as theatre, speech/debate, journalism or math/science. A great need exists for parental involvement and support.

| MUSIC BOOSTERS |

In addition to the general procedures outlined, the following guidelines apply to Music Booster Club activities.

- *Some music booster clubs assist with expenses for travel to various music-related activities such as UIL contests and performances at away athletic events. Such financial support violates no UIL rules provided that it is approved and coordinated by the local school district.

- *Many music groups schedule educational field trips with the approval of the local school administration and under local school district policies. For such trips, specific educational components must be included such as performing for a music festival, an adjudicated contest or a concert tour. Marching performances such as the Macy's Thanksgiving Day Parade, the Rose Bowl Parade or other similar ceremonial appearances also qualify. However, educational components need not be limited to performances. Concert attendance, visiting university/conservatory music facilities and other music related, non-performing opportunities would also be appropriate if approved by the local school district.

- *A recreational trip, on the other hand, would not meet the definition of an educational field trip as provided in Section 480 of the UIL Constitution and Contest Rules. Students receiving the benefits of a purely recreational trip would likely be in violation of the Awards Rule.

- *Booster Clubs may also fund scholarships for private

lessons and summer music camps provided the selection of the recipients is not based on success in interscholastic competition. Funds for such activities should be carefully monitored to ensure that they are expended for educational rather than recreational activities.

- *The awarding of patches, T-shirts or other items for achievement in interscholastic competition would be subject to the UIL Awards Rule. In order to protect all music students' eligibility, such awards should be approved and administered by the local school district in accordance with school district policies.

- *Be mindful of the fact that there is no Music Amateur Rule. Therefore, limitations established in athletics intended to ensure compliance with the Athletic Amateur Rule do not apply to music programs and related activities.

What You Can Do!

Parents

- *Remember: The classroom comes first!
- *Help conduct fair and equitable competition: adhere to rules, uphold the law and respect authority.
- *Remember that officials are human. Respect their decisions.
- *Delegate authority to the school, then support its decisions.
- *Set standards by which you expect children to conduct themselves, and live by those standards yourself.
- *Be aware of capabilities and limitations of young people. Don't have unrealistic expectations.
- *Allow your children to live their own lives.
- *Be involved in areas in which your own child is not involved, thus contributing to school unity and spirit.
- *Show respect to the opponents of your children.
- *Praise. Don't criticize. Urge others to do the same.
- *Help your children and their friends develop integrity through the intensity of competitive activity.

Work with the administration

- *Positive and direct communication can prevent most problems. Keep the superintendent informed of all activities.
- *Make sure your local administration has a copy of all club publications.
- *Invite administrators to all booster club meetings.
- *Have an officer meet with the school administration regularly.
- *Have a chain of command for communication with the administration.
- *Clear all activities through your administration.

Coaches and Fine Arts directors

- *Be sure your booster club wish list has been approved by your supervisor before it goes to the booster club.
- *Work with your administration to determine what your club can provide.
- *Make your request to the club benefit as many students as possible.
- *Attend the booster club meetings and/or know what the club is doing.
- *Understand that your advisory role to the boosters is without vote.
- *Support other programs within your district.
- *Meet with parents regularly and make them aware of relevant rules.
- *Involve your staff with your booster club. Let the booster club know who your staff is and what duties they perform.



Parent Organization Fundraising Manual

APPENDIX C

Parent Organizations Suggested Audit Procedures

APPENDIX C

Parent Organization Suggested Audit Procedures

Bank Reconciliations

1. Trace ending balances on the reconciliations to bank statements, outstanding check lists, and other reconciling items.
2. Verify that bank reconciliations were completed within 30 days of bank statement ending date.
3. Ensure that any outstanding or reconciling items on the reconciliations were cleared the following month.
4. Verify that the balance in the bank account (at beginning of school year), plus total deposits per check register, minus total disbursements per check register, balances to ending bank account balance (at end of school year).

Bank Statements

5. Determine whether a procedure is in place for a club member, other than those that have check signing ability, to receive bank statements by mail and review for reasonableness.
6. Determine whether any cash corrections were identified on bank statements. Ensure that reasonable explanations are available.
7. Compare the number of cleared checks included in the bank statement with the number that is noted on the bank statement to ensure agreement.
8. Ensure that cleared checks contain signatures of individuals authorized to sign checks. Bank accounts should be established to require two signatures.

Receipts

9. From the check register or other accounting records, schedule each deposit (use of spreadsheets is helpful). If volume is significant, consider selecting only a representative sample.
10. Trace deposits to collection documentation and prepared cash receipts for agreement.
11. Trace deposits to bank statements to ensure agreement.
12. Ensure that receipts are presented for deposit in a timely manner by reviewing the dates of prepared cash receipts with the date of deposit on the bank statement.

Disbursements

13. From the check register or other accounting records, schedule each check, withdrawal, or other debit (use of spreadsheets is helpful). If volume is significant, consider selecting only a representative sample.

14. Trace checks to supporting documentation such as invoices, receipts, approved expenses related to fundraisers, or other reasonable explanations.
15. Review the canceled check to ensure agreement of payee name, endorsement, and check amount.
16. Trace disbursements to budget approved by the membership or meeting minutes.
17. For bank withdrawals for the purpose of establishing a change fund for an event, confirm that the change fund was later re-deposited.

Fundraisers

18. Evaluate each fundraiser individually by calculating the value of items available for sale or number of tickets sold, and comparing to deposits and remaining inventory, if any, to ensure agreement.
19. Determine whether fundraiser applications were properly submitted and approved purple profit reports were received from the Business Office for each fundraiser.

Miscellaneous

20. Inventory remaining check stock to confirm that all checks are present and sequential. Ensure that the check number for the last check issued and first check available in check stock are sequential.
21. Confirm that check stock is retained in a secure place when not in use.
22. Determine whether any checks were voided during the course of the year. Ensure that any voided checks are retained in the records, but have been sufficiently modified to eliminate the possibility of clearing the bank (i.e. signature portion has been cut out of the check and VOID has been written across the check).
23. Ensure that sales tax reports were prepared and filed timely.
24. If IRS 990 form was filed, review for reasonableness.

Parent Organization Fundraising Manual

APPENDIX D

GASB 39

Organization Form

ANGLETON INDEPENDENT SCHOOL DISTRICT GASB 39 Annual Information

The Governmental Accounting Standards Board (GASB) Statement #39 requires school districts to consider the financial activities of all parent teacher organizations, booster clubs, foundations and other fund-raising entities for inclusion in the districts' financial statements. In order to determine whether financial information for these groups must be included, it is necessary for districts to gather data regarding the financial activities of these organizations.

*The following information will enable Angleton ISD and its auditors to determine if financial activities of a Parent Organization must be included in the District's annual financial report. This information is needed no later than **September 1st of each year**. Keep in mind that external auditors who prepare the District's audit may require additional information.*

Name of Organization			
Organization Tax ID Number			
Organization Fiscal Year End			
Do the organization's gross receipts normally exceed \$25,000 per year? <small>(The IRS defines gross receipts as all revenues generated before subtracting any expenses)</small>		YES	NO
Did the organization file a Form 990 and Schedule A last year?		YES Date filed: _____	NO
Organization's total annual contributions to AISD and/or its students		\$ _____	
<i>I confirm that the information provided on this form is accurate to the best of my knowledge.</i>			
Printed Name of Officer:		Title:	
Signature:		Date:	

Please provide copies of the following documents:

- Determination Letter (applicable for 501(c)(3) organizations only)
- Financial statement for the most current year end period beginning September 1 and ending August 31

Send completed form and requested documentation to:

Angleton ISD
Connie Cox
Director of Finance
1900 N. Downing Road
Angleton, TX 77515

Parent Organization Fundraising Manual

APPENDIX E Organization Fundraiser Forms

FUNDRAISING FORM CHECKLIST

BOOSTER CLUB: _____

PTO: _____

ACTIVITY GROUP: _____

CAMPUS: _____ **CAMPUS REPRESENTATIVE:** _____

CAMPUS LIAISON: _____

The following forms *must* be completed and submitted before any fundraiser will be processed for approval.

ALL ACTIVITY GROUPS AND ORGANIZATIONS	
	Attestation Form(s) – signed by each sponsor, officer and/or event chairman
	Goals & Objectives Planning Sheet listing all fundraisers – can submit more than one
	Fundraising Request Form – obtain Principal or Director signature prior to submitting

ACTIVITY GROUPS ONLY	
school sponsored groups – band, athletic or club	
	Activity Group Profile Sheet
	Acknowledgment of Sponsor’s Responsibilities Concerning Activity Funds
	Request to Establish a New Student Activity Account, if applicable

ORGANIZATIONS ONLY	
parent sponsored groups – PTO, booster clubs, project graduation	
	Organization Profile Sheet
	copy of 501(c)(3) documentation, if applicable
	Organization meeting minutes approving fundraisers
	If 501(c)(3) and doing a raffle, include a draft of the raffle ticket <i>prior</i> to ordering the tickets

REMINDERS:
FOOD ITEMS: All fundraisers involving food need to be approved by Amy Anderson, Child Nutrition Director, before the Business Office will approve the request(s).
DONATIONS: All fundraisers involving donations require a separate approval form and <i>must</i> be approved by Laurin Moore, Alternative Funding Director, prior to submitting the request to the Business Office. Currently, the only approved online fundraisers are DonorsChoose or Amazon Wish Lists. Remind your teachers these <i>must</i> be approved prior to posting on any social media platform. All donations require a Gift Form be submitted to the Business Office. To save yourself some time and frustration, if you have an online fundraiser that isn’t listed above, please reach out to Laurin Moore and discuss before contacting the Business Office.
RAFFLES: ONLY 501(c)(3) organizations can legally hold raffles. If your organization isn’t a 501(c)(3), please don’t submit a fundraiser request involving a raffle.

If you have any questions, contact your campus liaison or Director for you Organization

OR

Toni Dozier in the Business Office at 979-864-8042 or tdozier@angletonisd.net

ANGLETON ISD FUNDRAISING
ORGANIZATION PROFILE SHEET

Organization Name: _____

Campus Representing: _____

Campus Representative(s): _____

Tax Exempt ID: _____

Organization Officers:

PRESIDENT: _____

Email: _____

Phone #: _____

VICE PRESIDENT: _____

Email: _____

Phone #: _____

SECRETARY: _____

Email: _____

Phone #: _____

TREASURER: _____

Email: _____

Phone #: _____

PARLIAMENTARIAN: _____

Email: _____

Phone #: _____

***Should you have any questions, contact your campus liaison or
Director for your Organization or***

***Toni Dozier
(979) 864-8042
tdozier@angletonisd.net***

**ANGLETON ISD FUNDRAISING
ATTESTATION FORM**

NAME: _____

ORGANIZATION: _____

OFFICE HELD: _____

EMAIL ADDRESS: _____

PHONE NUMBER: _____

DATE OF MEETING ATTENDED: _____

I hereby attest to the following (initial in the space provided by each statement):

_____ I attended the AISD Fundraising Meeting on the above listed date.

_____ I agree that I will adhere to all AISD Board Policies in regarding Fundraising.

_____ I have read, understand and will abide by the procedures laid out in the AISD Fundraising Manual for Parent Organizations or Activity Groups as applicable.

_____ I have read and will closely follow UIL rules as documented in the UIL Guidelines.

_____ I agree to utilize and follow the best financial practices outlined at the Fundraising Meeting and as set forth in the Fundraising Manual.

SIGNATURE

DATE

PRINTED NAME

ORGANIZATION / ACTIVITY GROUP

CAMPUS

**ANGLETON ISD FUNDRAISING
GOALS & OBJECTIVES PLANNING SHEET**

Organization:_____

Campus:_____

Contact Person:_____

Phone:_____

Fundraiser Goal / Purpose	Fundraiser Event	Projected Profit	Is Request Form Attached

Fundraising forms due on or before 9/30/2022

Angleton ISD Fundraising Request Form

Please check one:

- ☐ School sponsored group (athletic group, any student organization or club)
☐ Parent sponsored group (PTO, booster club or Project Graduation)

Is this a tax-free fundraiser? YES NO If yes, first _____ second _____

Organization holding fundraiser: _____

Event chairman: _____ Campus: _____
Print Name

Chairman's address: _____
Street Address, City, State and Zip Code

Telephone: _____ E-mail address: _____

Signature of Event Chairman Date

FUNDRAISING PROJECT: _____

Beginning date of fundraiser: _____ Ending date of fundraiser: _____

Profit will be used to purchase: _____

Projected profit: _____

Name of company supplying merchandise or services: _____

Company address: _____
Street Address, City, State and Zip Code

Company telephone: _____ Extension: _____

CAMPUS LEVEL: ☐ Approved ☐ Denied

Signature of District Principal/Director Date

Complete this section if the fundraiser involves food/drink sales or distribution.

What items will be sold: _____

Will the food/drink item(s) be sold for consumption on campus? ☐ Yes ☐ No

If the food/drink item will be sold on campus, please list the **location, date and time** for the sale.

Location Date Time

CHILD NUTRITION: ☐ Approved ☐ Denied

Signature of District Administrator Date

FUNDRAISERS SOLICITING ONLINE DONATIONS – send form to Alternative Funding

ALTERNATIVE FUNDING: ☐ Approved ☐ Denied

Signature of District Administrator Date

DISTRICT LEVEL: ☐ Approved ☐ Denied

Signature of District Administrator Date

BUSINESS OFFICE USE ONLY:

Fundraiser ID#

Profit report due:

Parent Organization Fundraising Manual

APPENDIX F ADVERTISING SIGNS GUIDELINES

ADVERTISING FUNDRAISING

Facility Advertising Space

Angleton ISD offers a wide range of advertising opportunities designed to bring high visibility to your business and promote your brand. Partnering with AISD allows you to reach your audience while supporting education of our more than 7,000 students.

Our mission is to create and foster mutually beneficial partnerships between local businesses and Angleton ISD. Most importantly, all revenue generated through this program will go back into AISD general funds to support valuable school district programs that enrich the education and experience of Wildcat students.

General Procedure

1. Follow the fundraising procedures to complete and submit the following forms to the Business Office
 - a. Fundraiser Request Form – actual fundraiser selling signs should be open no longer than two months
 - b. Advertising Sign Fundraiser Solicitation Contact Form – all advertising must conform to Board Policy GKB (LEGAL and LOCAL) COMMUNITY RELATIONS ADVERTISING AND FUNDRAISING
2. Business Office will send the Advertising Sign Fundraiser Solicitation Contact Form to the Superintendent for pre-approval
3. Business Office will send the Fundraiser Request Form to Alternative Funding for approval
4. After approval of both forms has been received, Business Office will complete the processing of the Fundraiser Request Form and prepare the Purple Profit Report
5. Upon receipt of the Purple Profit Report, the organization may begin contacting the Businesses and/or Individuals that received approval from the Superintendent's office
6. Design signs and submit the designs to the Business Office for final approval of the Superintendent and Alternative Funding
7. Upon receipt of final approval of designs, signs may be purchased

Available Space for Advertisement

All athletic related fundraising activities may only be displayed for the season of that sport. The District reserves specific locations for all facilities for Alternative Funding purposes. Any other available placement is designated to Parent and Campus Organizations. All district facilities, property, and equipment that have the potential for ad space must be approved by District officials and will be added to the District and Facility Advertisement packet upon review.

1. Athletic Facilities

a. Football Stadium/Soccer/Track

i. District Placement

1. Ticket Booth
2. Concessions
3. Wayfinding in lower bleachers
4. Goalpost
5. Behind Diggs Videoboard fence (windscreen)
6. Side fencing on the bleachers (Windscreen)
7. Reserved seating signs

ii. Available Placement

1. Under the stands
2. End zone (20 yard line to back)
3. Directly under the stands on visitors side/wind screen
4. Visitors concessions
5. Short fences on visitors

b. Baseball

i. District Placement

1. Ticket booth
2. Concession stands
3. Scoreboard

ii. Available Placement

1. Outfield fencing
2. Chain-link underneath the stands/senior posters
3. Top fencing above the stands/home side

c. Softball

i. District Placement

1. Facility outside walls

ii. Available Placement

1. Outfield
2. Above the bleachers
3. Solid fencing interior

d. Tennis Courts

i. District Placement

1. TBD (Contact Coach Norman)

ii. Available Placement

1. TBD

- e. Basketball Courts/Gym - Competition Gym A
 - i. District Placement
 - 1. Visitor Side/Athletic Hallway exit
 - 2. Future digital scorekeeper table
 - ii. Available Placement
 - 1. Home side Entrance
 - 2. Above the bleachers*
- f. Aquatic Center
 - i. District Placement
 - 1. Front Entrance
 - ii. Available Placement
 - 1. Inter walls of the exterior fence
- 2. Campus Buildings
 - a. Campus must submit plans and must not compete with District
 - b. Year to year basis
 - i. Ends in the District fiscal year
 - c. The sale of ad space is available to specific Campus PTO or Campus Organizations
 - d. Principals will have designated locations for ad placement
- 3. Buses
 - a. TBD
- 4. Board Room
 - a. Exclusive to Education Foundation

FREQUENTLY ASKED QUESTIONS

Q: What is the Angleton ISD Advertising Program?

A: The Advertising Program is an opportunity for local businesses to partner and support the school district by purchasing advertisements on scoreboards, fences, gyms, buses, websites etc. These advertisements benefit both the business and AISD by creating brand awareness for businesses, and creating additional revenue for the District.

Q: Why is Angleton ISD using this program to generate funds?

A: Because school districts are dependent on state funding and local property tax revenues, budgeting can be a challenge. As a result, Angleton ISD -- like many other Districts -- is pursuing several innovative measures to maximize revenues and ensure its assets are fully utilized to the extent possible. These assets include trademarks of logos, rentals of facilities and multiple forms of advertising.

Q: How will the money generated from the advertising program be used within Angleton ISD?

A: The money generated from the advertising program will be used to support the District's operating budget, which pays for things such as teacher raises, instructional materials, facility repair and improvement, transportation, and health and safety.

Q: How does the program work?

A: The school advertising program helps businesses build brand awareness, while providing much needed funding for local schools. Bus ads are seen every day by thousands of people as the buses travel around the 396 square-mile school district, exposing drivers to businesses and organizations that serve the areas of Angleton, Rosharon, the Village of Bonney, and Holiday Lakes. Stadium and other athletic and campus facility ads can be seen by thousands of home and visiting spectators who attend football, soccer, baseball, softball, basketball and volleyball events as well as swim meets, band competitions, plays, choir productions.

Q: Why would a business want to advertise on a school bus or other school property?

A: When a company joins the school district advertising program, not only does it advertise the business, it becomes a partner associated with giving back to the AISD community and school district.

Q: How much revenue will Angleton ISD receive?

A: The revenue will be dependent on the number of advertisers and other factors.

Q: How much does it cost?

A: Prices for ads depend on the size of the ad, placement of the ad, number of spaces to be used, and the length of the commitment.

Q: How much area does the bus advertising program cover?

A: The bus advertising program covers the entire geographic area of Angleton ISD which includes Angleton and Rosharon. There are over 50 buses in the fleet that travel over the 400 square miles that make up Angleton ISD.

Q: Can I target specific routes within the District?

A: Yes. All bus advertising can be targeted to specific bus routes and areas of the community, and businesses can also choose the campuses and facilities where they would like their advertisements to appear.

Q: What businesses can benefit from bus advertising?

A: Any local or national company that wants to promote its business and strengthen its image while helping to fund local public schools will be considered. Ads must be appropriate for a school setting, as well as child and community sensitive. Please see Board Policy (Local) on the Angleton ISD website for more information as to what the advertising program will / will not allow.

Q: Are there any restrictions on the types of ads that can run?

A: Yes. All ads must be in the form of an age-appropriate positive message. An AISD Administrator will review and approve all advertisements and messages. Board Policy (Local) contains more information as to what the advertising program will / will not allow.

Parent Organization Fundraising Manual

APPENDIX G TAXES – SCHOOL FUNDRAISERS



Glenn Hegar
Texas Comptroller of Public Accounts

Taxes

School Fundraisers

Texas school districts and public schools are exempt [comptroller.texas.gov/taxes/publications/96-122.php] from paying Texas sales and use tax on taxable items they purchase. Qualified nonprofit private schools are also exempt from paying tax if their purchases relate to their exempt function.

Unless an exemption applies, these entities must get a sales tax permit [comptroller.texas.gov/taxes/permit/] and collect and remit sales tax on taxable items sold. They do not need a sales tax permit if they sell only exempt items or if the sales are through tax-free fundraisers.

Sales by School Organizations

Texas school districts, public schools, qualified exempt private schools and bona fide chapters within a qualifying school may have two one-day, tax-free sales or auctions each calendar year (January through December). During a tax-free sale day, the organization is not required to collect tax on the sales price of taxable items.

▼ What is a One-Day, Tax-Free Sale?

A one-day, tax-free sale day (24 consecutive hours) is either:

- The day the vendor delivers the items to the exempt organization; or
- The day the exempt organization delivers the items to its customers.

For example, a school group selling yearbooks can accept pre-orders without collecting tax if the day the group delivers the yearbooks to its customers is on one of the group's designated tax-free sales days.

Customers buying from surplus inventory on the designated day do not owe tax. For example, a school can sell old yearbooks on the same designated day they are distributing the new yearbooks and not collect sales tax. Extra yearbooks sold outside of those days are taxable.

If two or more organizations hold a tax-free sale together, the event counts as one tax-free sale for each participating group. Each organization that participates in the joint tax-free sale can hold one additional tax-free sale during that calendar year.

An organization can hold its two tax-free sales back-to-back for a maximum of 48 consecutive hours. For example, a sale could last from noon Friday until noon Sunday.

This exemption does not apply to any items sold for more than \$5,000, unless the exempt organization made the item or it was donated to the organization and not sold back to the donor.

If an exempt organization sells only nontaxable items or sells only during its tax-free fundraisers, it does not need a sales tax permit. To buy taxable items tax free for resale, the organization can either give the seller a resale certificate [comptroller.texas.gov/forms/01-339.pdf], if it has a sales tax permit, or an exemption certificate [comptroller.texas.gov/forms/01-339.pdf]. See the "Food and Beverage Sales" and "Other Nontaxable Sales" sections.

▼ Schools and Bona Fide Chapters

To qualify as a bona fide chapter of a school, a group of students must be organized for an activity other than instruction or to have tax-free sales.

"Bona fide chapters" include school-recognized student groups organized by electing officers, holding meetings and conducting business. Bona fide chapters can include whole grade levels, such as the senior, junior, sophomore or freshman class, but cannot be limited to a specific class, such as English Composition or Freshman Biology. Other school groups composed of students and staff can qualify, such as student councils, science clubs or drama clubs. There is no limit on the number of bona fide chapters.

School departments such as purchasing, accounting or maintenance departments, and specific classes like biology or math classes, are not bona fide chapters, even though they are part of the school or school district.

Unless otherwise qualified to hold tax-free sales, groups that are not bona fide chapters must get a sales tax permit and collect and remit sales tax on taxable items unless another exemption applies.

▼ Booster Clubs, PTAs, PTOs, PTSAs and PTSOs

Nonstudent organizations do not qualify as bona fide chapters of a school, but may qualify for the tax-free sale days under other provisions. Examples are booster clubs, parent-teacher associations (PTAs), parent-teacher organizations (PTOs), parent-teacher-student associations (PTSAs) and parent-teacher-student organizations (PTSOs). Nonstudent nonprofit organizations that are not bona fide chapters of schools, however, may still qualify for two one-day, tax-free sales or auctions on their own.

For example, a booster club for a band, athletic team or similar group can hold two one-day, tax-free sales or auctions once it has received a sales tax exemption from the Comptroller's office.

A nonprofit organization that has received an Internal Revenue Service (IRS) exemption under Section 501(c)(3), (4), (8), (10) or (19) can qualify for Texas sales and franchise taxes exemptions. A booster club that has one of these 501(c) federal exemptions must apply to receive these tax exemptions by completing and submitting Form AP-204 [comptroller.texas.gov/forms/ap-204.pdf] along with a copy of its IRS exemption letter to the Comptroller's office. After our office notifies the club of its exempt status, the club can hold two one-day, tax-free sales or auctions each calendar year.

PTAs, PTOs, PTSAs and PTSOs and similar parent-teacher organizations can qualify for a sales tax exemption as educational organizations and can hold two one-day, tax-free sales or auctions each calendar year. All parent-teacher organizations must complete and submit Form AP-207, *Application for Exemption - Educational Organizations* [comptroller.texas.gov/forms/ap-207.pdf] to the Comptroller's office. Once the exemption is granted, these organizations can hold the two one-day, tax-free sales or auctions each calendar year.

Sales of taxable items made at other times of the year are taxable, unless another exemption applies.

School Organizations Raising Money Using a Fundraising Company

Sometimes a school, school group, parent-teacher group, booster club or other exempt organization raises funds by entering into an agreement with a fundraising company to sell taxable items, such as wrapping paper, gifts, candles or candy, and receives money for their exempt school organization use.

The exempt school organization markets the items, collects the money and forwards to the fundraising company an agreed-upon portion of the money collected and all the sales tax collected. The fundraising company is the seller, in this case, and not the exempt school organization. These types of sales do not qualify as a tax-free sale, and the fundraising company must collect, report and remit the sales tax. Since the exempt school organization is not considered the seller, they cannot use their tax-free sale days to make exempt sales on behalf of the fundraising company.

The fundraising company should provide instructions to the exempt school organization about collecting sales tax correctly. The fundraising company can require that tax be calculated and collected on each taxable item's sales price, or it can advertise in the sales catalog or state on each invoice that tax is included in the item's sales price.

The school, school group, PTA/PTO, booster club or other exempt organization raises funds by acting as a sales representative for a for-profit fundraising company. The school organization is not responsible for reporting or remitting sales and use tax.

Online Sales

Online sales [comptroller.texas.gov/taxes/publications/94-171.php] of taxable items are treated the same as sales made at the school or at any other sales location.

Unless an exemption applies, schools, school groups and other nonstudent nonprofit organizations that accept online orders must collect sales tax on taxable items they sell online. An online sale during a one-day, tax-free sale qualifies for the exemption.

Food and Beverage Sales

A public or private elementary or secondary school, school group or PTA/PTO does not have to collect tax on sales of meals and food products, including candy and soft drinks, if the sales are made during the regular school day and by agreement with the proper school authorities. This exemption includes food, soft drinks and candy sold through vending machines.

PTAs/PTOs and other qualifying groups associated with a specific public or private elementary or secondary school or school group may also sell meals, food, candy or soft drinks tax free outside of the school day if the sales are part of the organization's fundraising drive and all net proceeds go to the group for its exclusive use.

▼ Sales During the School Day

The following entities do not have to collect tax on sales of food products, candy, snack items and soft drinks sold during the regular school day and by agreement with the school or school district:

- School districts.
- Public or private elementary or secondary schools.
- Bona fide student organizations.
- Parent-teacher associations and organizations.
- Booster clubs.
- Other school support organizations.

This exemption also includes these items sold through vending machines.

▼ Sales Outside the School Day

Sales outside of the school day of food products, candy, snack items and soft drinks by a PTA/PTO, booster club or other school support organization are tax free if:

- The organization is associated with a specific public or private elementary or secondary school;
- The sales are part of the organization's fundraising drive; and
- All net proceeds go to the organization for its exclusive use.

The exempt school organizations can issue an exemption certificate [comptroller.texas.gov/forms/01-339.pdf] instead of paying tax on taxable food and beverage items they buy to sell at an exempt food sale. The exemption certificate should state that the group will sell the items as part of its fundraiser. The food and beverage sales tax exemption does not include sales of alcoholic beverages and other non-food items such as spirit wear, accessories or school supplies.