

# **SAN FELIPE DEL RIO**

## **Consolidated Independent School District**



## **Parent Organization Guidelines**



# SAN FELIPE DEL RIO CISD

## Parent Organization Guidelines

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## **PREFACE**

San Felipe Del Rio CISD *Parent Organization Guidelines* has been prepared to assist Parent Organizations in meeting District, University Interscholastic League (UIL), state and federal requirements. The information in this handbook is provided to assist Parent Organizations/Booster Clubs in following pertinent policies and regulations and to provide guidance in establishing a general record-keeping system and a general system of internal controls. Establishing a good record-keeping system is an essential step in creating a successful organization.

In accordance with School Board Policy, [BP Local](#), the Superintendent and administrative staff shall be responsible for developing and enforcing procedures for the operation of the District. These procedures shall constitute the administrative regulations of the District and shall consist of guidelines, handbooks, manuals, forms, and any other documents defining standard operating procedures. Administrative regulations [procedures] are subject to Board review but shall not be adopted by the Board.

This document summarizes the District's administrative procedures relative to parent organizations. It is not intended to be all inclusive. If there is conflict between the information presented here and the District's Board Policy, the Board Policy shall take precedence.

### ***District Vision***

The San Felipe Del Rio CISD provides a safe and nurturing environment where all students become contributing citizens prepared to compete and excel in an ever-changing world.

### ***District Goals***

- The District shall maintain a safe environment, utilize quality curriculum and diverse instructional opportunities to ensure student achievement at the highest standards of excellence.
- The District shall be a good steward of the community's resources - financial, human, facilities - and explore new opportunities for organizational efficiency and effectiveness.
- The District shall provide meaningful and effective communication in a timely manner to all parents, students, staff and District Partners.

### **Finance Department Staff**

The Business Department staff shall perform multiple roles; however, adequate controls of separation of duties shall be maintained at all times. The staff consists of:

Chief Financial Officer – Yanakany Valdez, 830-778-4005, [yanakany.valdez@sldr-cisd.org](mailto:yanakany.valdez@sldr-cisd.org)

Comptroller – Yvonne Rodriguez, 830-778-4057, [yvonner.rodriguez@sldr-cisd.org](mailto:yvonner.rodriguez@sldr-cisd.org)

Purchasing Director – Paula Johnson, 830-778-4047, [paula.johnson@sldr-cisd.org](mailto:paula.johnson@sldr-cisd.org)

Budget Coordinator – Amy Childress, 830-778-4019, [amy.childress@sldr-cisd.org](mailto:amy.childress@sldr-cisd.org)

HR Finance Coordinator – Veronica Ogolowa, 830-778-4028, [veronica.ogolowa@sldr-cisd.org](mailto:veronica.ogolowa@sldr-cisd.org)

Payroll Supervisor – Mary Perez, 830-778-4051, [mariai.perez@sldr-cisd.org](mailto:mariai.perez@sldr-cisd.org)

Chief Financial Officer Secretary – Estela Ortiz, 830-778-4005, [estela.ortiz@sldr-cisd.org](mailto:estela.ortiz@sldr-cisd.org)

## GENERAL INFORMATION

The District encourages full participation and involvement of parents in the education of their children through their involvement in voluntary parent organizations such as PTAs, PTOs, and Booster Clubs that may be formed to promote the school program or to complement a particular student group or activity.

The Board recognizes the valuable services performed by parent organizations and booster clubs to support and enhance the educational progress of all San Felipe Del Rio CISD students. District-affiliated school-support or booster organizations shall organize and function in a way that is consistent with the District's goals, philosophy, and objectives, within adopted Board policies, in accordance with applicable UIL guidelines and the District's approved Parent Organization Guidelines.

The School District has Board Policies <http://pol.tasb.org/Home/Index/1180> that must be followed by parent organizations and booster clubs:

- District Board Policy GE (Local) – Relations with Parent Organizations
- District Board Policy CDC (Local) – Other Revenues-Grants from Private Sources
- District Board Policy FJ (Local) – Student Fundraising
- District Board Policy CFD (Local) – Accounting-Activity Funds Management
- District Board Policy GKG (Legal) – Community Relations-School Volunteer Program
- District Board Policy CPAB (Legal) – Office Communications-Mail and Delivery

Parent organizations are a separate entity from the school District, even though they generally exist solely to support activities of the school or student groups.

The superintendent has the authority to revoke the recognition of the group or disallow the continued association of any school program with a parent or community organization that has been judged to be disruptive to the educational activities or goals of the program or group or fails to comply with board policy and guidelines.

## ORGANIZATION GUIDELINES

**Constitution and By-Laws** - Each organization shall operate under a constitution and/or by-laws. An organization's bylaws provide the rules for how to operate. They usually include duties of the officers and their election process, meeting dates, qualifications for membership, budget guidelines, and the method by which funds are appropriated, and detailed financial controls. By-Laws shall be submitted annually to the Comptroller and to the campus principal.

**Officers** - A current listing of officers and designated check signers for each organization shall be submitted annually to the Comptroller and to the campus principal. The Campus Principal or Liaison may not hold an office in their campus' parent organization. This information should remain on file in the principal's office at all times. Any changes that occur during the year should also be submitted to the Comptroller and provided to the campus principal. At no time should officers be appointed without the input and approval of the membership.

At a minimum, the booster organization shall elect the following officers on an annual basis:

### PRESIDENT

Typically, the president of a booster 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 designated campus representative regarding booster activities;
- Resolve problems in the membership;

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- Regularly meet with the treasurer of the organization to review the organization's financial position;
- Schedule annual audit of records or request an audit if the need should arise during the year.

### SECRETARY

The secretary is responsible for keeping accurate records of the proceedings of the association 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 by-laws. The major duties include, but are not limited to, the following:

- Maintain the records of the minutes, approved by-laws and any standing committee rules, current membership and committee listing;
- Maintain records of attendance of each member;
- Conduct and report on all correspondence on behalf of the organization;
- Provide copy of minutes to the principal and District Comptroller;
- Provide end-of-year financials to the District Comptroller and principal by September 30th of each year.

### TREASURER

The treasurer is the authorized custodian of the funds of the association. The treasurer receives and disburses all monies indicated in the budget and prescribed in the local by-laws or as authorized by action of the association. The major duties include, but are not limited to, the following:

- Issue a receipt for all monies received and deposit in a timely manner;
- Present a current financial report including bank statements, bank reconciliations, and financial statements to the Principal and Comptroller within thirty days of the previous month end;
- Maintain an accurate and detailed account of all monies received and disbursed;
- File sales tax reports as required by the comptroller's office (monthly, quarterly, or annually);
- File annual IRS form 990 in a timely manner;
- Submit records to audit committee appointed by the organization upon request or at the end of the year;

Meetings - The business of the parent organization shall be conducted in an open meeting, with notification of all meetings provided to the membership and the liaison. Minutes of all meetings should be kept in writing.

Minutes and Treasurer's Report - The minutes of the last meeting and the treasurer's report should be reported at each regularly scheduled meeting. The Treasurer's Report should include copy of bank statement and bank reconciliation. Minutes report shall be submitted to the Comptroller and to the campus principal following the approval of the minutes.

Liaison - The campus principal shall designate a District liaison with any parent organization affiliated with the school. If an organization is affiliated with a specific student group, the faculty sponsor of such student group may be designated by the principal to act as liaison. The liaison shall adhere to the following rules:

- Work with such organizations to establish approved goals and student support activities for the respective organizations;
- Ensure expenditures of such organizations are in direct support of the goals of the designated programs;

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- Ensure that lists of officers of the respective organizations are filed with the Comptroller and school principal at the beginning of each school year, and that such lists are revised as officers change during the school year;
- Ensure that lists of organization activities for the coming year are submitted to the campus principal at a date established by the campus principal.

Members of parent organizations that will be volunteering on District property or for district sponsored events must be cleared as Parent Volunteers. All prospective volunteers shall complete a Parent Volunteer application as per Board Policy GKG Local.

Principals should encourage the use of parent organization funds in manners that benefit all students. A student's benefit from any group activity should not be dependent upon whether their parents or guardians are members of the parent group.

Parent organizations shall not be involved in decision-making or policymaking activities of student groups.

Parent organizations shall have no authority in directing or influencing District employees in the administration of their duties.

Parent organizations shall assume liability for any and all personal injuries or property damage arising from their activities.

## UIL BOOSTER CLUB GUIDELINES

Booster Clubs that support a UIL sanctioned group should obtain the pamphlet "Booster Club Guidelines" published by the University Interscholastic League (UIL) and available online at [www.uil texas.org/policy/booster-club-guidelines](http://www.uil texas.org/policy/booster-club-guidelines) to be aware of the current procedures regarding extracurricular activities. This document provides guidelines which govern all booster club activities related to UIL-sponsored competition. Since the UIL regulates and governs what participants, sponsors, and coaches may and may not accept, it is very important booster club members and parents are aware of these guidelines. The UIL Parent Information Manual is another useful document that can be found at [www.uil texas.org/athletics/manuals](http://www.uil texas.org/athletics/manuals).

## GETTING STARTED

Booster Clubs and Parent Organizations provide an important support function to student groups; however, they also require a strong commitment from the members to work properly. Therefore, deciding whether or not to form a Booster Club or Parent Organization is a difficult decision that requires careful consideration of the pros and cons of formation. Interested parents should discuss these issues with each other as well as the Sponsor of the student group or the School Principal.

It is important to remember that parents do not have to form a Booster Club or a Parent Organization to support a student group. Parents may still support a student group as parents through fundraisers and other activities in which the students are involved if the student group has a Student Activity/Agency Fund set up through the District. All money generated would be considered the student group's money and would benefit only that group of students. In addition, the District would be responsible for all of the accounting and legal responsibilities of the Student Activity Fund.

Prior to becoming an official parent organization, be sure to complete the following steps:

1. Obtain Principal approval - The formation of a Parent Organization or Booster Club must be approved by the appropriate campus principal and communicated to the District Comptroller.

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2. Establish the organization's mailing address. (You will have to list an official mailing address on several state and federal forms when creating your identity as a Booster Club or Parent Organization; therefore, it is better to get this step done first.) The IRS and the Texas State Comptroller's Office recommend that each Organization obtain a post office box (PO Box) to use as the official mailing address of the Organization. The address and box keys can be given easily to the new officers at the beginning of each year.
3. Elect officers and create by-laws – At a minimum, officers should include the president, treasurer and secretary.
4. Designate a Liaison - The campus principal shall designate the District liaison with any parent organization affiliated with the school. If an organization is affiliated with a specific student group, the faculty sponsor of such student group may be designated by the principal to act as liaison. The principal may also serve as the District liaison at his or her option.
5. Federal Tax Information - Each parent organization is independent of San Felipe Del Rio Consolidated Independent School District and responsible for completing the necessary filings with the IRS should it choose to obtain and maintain the "exempt organization" 501(c)(3) status.

## ACCOUNTING AND FINANCIAL MANAGEMENT GUIDELINES

The officers of the organization shall be responsible for proper administration of their funds including accounting, safeguarding and disbursement of funds in accordance with federal and state law and local policy.

Parent organizations are fully responsible for all taxes, debts, and other financial commitments incurred by the organization. Parent organizations should establish a permanent file of financial records, bank statements, tax records, etc. This file should be transferred to successive administrations of the organization each year.

Parent organizations do not have the authority to commit or to represent in any way that the District is responsible for any of its financial or contractual obligations.

Parent organizations must exercise standard business practices in the administration of its assets at all times. Funds accounted for by parent organizations are not District funds and are, therefore, not subject to bookkeeping by District employees. The bookkeeping responsibilities for such funds are to be handled by officers of the organizations.

### **Bank Account**

Each parent organization must have its own bank account with its own federal identification number. Parent organizations should not use the District's Federal Identification Number for conducting business of the organization. Parent organization money must be kept separate from school funds. School funds are public monies and parent organization funds are private monies.

The financial records for the parent organization must be balanced monthly. This includes a monthly bank reconciliation and review of outstanding checks and deposits in transit.

The minutes of the last meeting and the treasurer's report should be reported at each regularly scheduled meeting. The minutes, treasurer's report, bank statement copy and bank reconciliation should be provided monthly to the campus principal and Comptroller.

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An annual financial report summarizing all receipts and expenses shall be made to the general membership and the superintendent or designee by July 31 of each year. A copy should be provided to the Comptroller and campus principal.

### **Receipts**

Cash receipts should be issued for all money received. The original should be given to the payee and the copy kept in the receipt book. All copies of voided cash receipts should be kept in the receipt book.

Funds should be counted at the event site, with at least two people present.

All funds received should be deposited into the parent organization's bank account timely (preferably the next business day) to reduce the risk of loss or theft.

The cashing of checks from cash receipts or petty cash is prohibited.

Funds received should not be used for any purchases; all purchases should be made with a check.

### **Disbursements**

All disbursements should be made by pre-numbered checks from the organization's bank account. The checks should be signed by two officers, usually the president and the treasurer. Individuals authorized to sign checks should not be related to each other by marriage or any other relationship. Sponsors may not be authorized check signers for a parent group that supports a group or club for which they are sponsors. School employees should not accept loans of funds from parent organizations.

Debit cards should not be used to make purchases or to withdraw funds from the account. "Blank Checks" or checks payable to "Cash" should never be issued.

Original invoices should be provided as support for all payments made by check.

Consultants and Other Professional Services shall follow District guidelines for contracts, criminal background checks, and administrative approvals especially if they will have contact with our students. Contact your campus principal and/or sponsor prior to the services being contracted.

Organizational by-laws shall include provisions for disposal of funds and/or property to the District in case said organization disbands or ceases to operate. Exceptions shall be made for PTA and other nationally affiliated organizations with bylaws constraints regarding dispersal of funds.

### **Audits**

It is required that parent organizations submit records to be audited annually by an Audit Committee composed of at least three qualified members of the organization who are not signatories on the organization's bank account. In order to provide adequate checks and balances, financial records may be reviewed periodically by other officers of the organization.

Audits are recommended to be performed at fiscal yearend and when there is a mid-year resignation of the financial officer. They may also be performed at any other occasion deemed necessary by the organization or the District.

The audit must be completed and reported at the next regularly scheduled meeting after the end of the fiscal year end or as soon as possible after the resignation of the treasurer.



## **FUNDRAISING GUIDELINES**

Parent organizations should conduct fundraising activities to benefit the entire student group and activities. All parent organization fundraising efforts shall be within federal, state and District guidelines and shall be for the purpose of supporting the school program or group activity for which the organization was formed.

All fundraising activities require prior approval from the principal or the designated liaison. This provides the campus with knowledge of the activities planned and helps to avoid the duplication of similar fundraising campaigns during the same period. The Fundraiser Application (see appendix) may be used to document written approval. Please send a copy of the approved fundraiser form to the District Comptroller.

Parent organizations must properly account for all funds generated and expensed through fundraisers. Funds should be counted at the event site by 2 individuals, excluding the treasurer, before submitted to treasurer for receipting. Items purchased for sale should be safeguarded and inventoried.

Funds raised by student organizations shall be maintained in the campus activity fund, while funds raised by parent organizations shall be maintained by the organization that initiated and executed the fundraising activity.

Raffles and bingos are not allowed on district property. Refer to IRS guidelines for raffles and bingos for additional guidance.

Online Fundraising - Parent organizations may utilize external donor websites, such as gofundme.com, to seek donations for their organization with the written approval from the campus Principal. The fundraising guidelines in this document will apply to these fundraisers. Donations received through the donor website should be deposited in the organization's depository account.

## **FEDERAL AND STATE TAX INFORMATION**

State and federal regulatory agencies such as the Texas State Comptroller's Office, the Texas Secretary of State, and the Internal Revenue Service (IRS) also govern Parent Organizations. New and existing Parent Organizations must abide by the regulations and guidelines set by these agencies. Booster Clubs should also maintain a current level of knowledge regarding law changes that affect them.

Federal Tax Information - Each parent organization is independent of San Felipe Del Rio Consolidated Independent School District and responsible for completing the necessary filings with the IRS should it choose to obtain and maintain the "exempt organization" 501(c)(3) status.

### **Obtaining a Federal Identification Number**

IRS Form SS-4 Application for Employer Identification Number (EIN) should be used to obtain a Federal Identification Number by going online at [www.irs.gov](http://www.irs.gov). A Federal Identification Number is generally required to open bank accounts and obtain State Sales Tax Permits.

Parent organizations should not use an individual member's social security number to conduct the business of the organization because the individual member could be liable for the taxes and liabilities of the organization in such case.

Parent organizations are not permitted to use the District's Federal Identification Number.

### **Texas Sales Tax Information**

You must obtain a Texas sales and use tax permit if you are engaged in business in Texas and you:

- sell tangible personal property in Texas;
- lease tangible personal property in Texas; or
- sell taxable services in Texas.

Please see Rule 3.286 and publication 96-259 Taxable Services for more information.

The requirement to obtain a Texas sales and use tax permit applies to individuals as well as corporations, firms, partnerships, and all other legal entities.

The Sales and Use Tax Bulletin, July 2009 entitled School Fundraisers and Texas Sales Tax included in the appendix of these guidelines contains all information relevant to sales tax and parent organizations including contact information for the State Comptroller, guidelines for applying for sales tax exemption, and links to other relevant publications and forms.

For all Texas Sales and Use Tax forms, go online to <http://www.window.state.tx.us/taxinfo/taxforms/01-forms.html>

### **Obtaining IRS Exempt Status**

IRS Form 1023 (Application for Recognition of Exemption) should be used to obtain exempt status. This form may be obtained online at [www.irs.gov](http://www.irs.gov) or for information on how to apply for federal exemptions, contact the IRS at 1-877-829-5500.

See IRS Publication 557, Tax-Exempt Status for Your Organization, for other required inclusions in the application for exemption in the areas of organizing documents, description of activities, financial data, fund raising activities description, etc. or for additional information regarding the rules and procedures for obtaining exemption from federal income taxes. This publication may be obtained free from the IRS by calling 1-800-829-3676 or online at [www.irs.gov](http://www.irs.gov).

Upon approval by the IRS of exempt status, the organization will receive a Letter of Determination from the IRS stating the organization is considered to be an exempt organization which should be maintained in the permanent files.

Some organizations may become affiliated with a national organization that has already received exempt status 501(c)(3) or 501(c)(4) from the IRS (e.g., PTAs). The national organization may have a Group Exemption Number (GEN) assigned to it by the IRS that could be used by local affiliates to avoid having to file their own Package 1023. However, each local affiliate must obtain their own Federal Identification Number.

District employees, in such capacity, may not prepare filings to the IRS on behalf of parent organizations.