

Aledo Independent School District

Parent Organization Handbook

2023-2024



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FOREWORD

This manual is designed to assist parent organization officers and members by providing organizational and financial guidance. Only approved organizations, operating under these guidelines and Aledo Independent School District policies and procedures, shall be allowed to use the District or school name and/or facilities in support of its programs. Specific questions regarding organization activity should be addressed to the proper person (Campus Principal, Director of Athletics, Fine Arts Coordinator).

It is important to recognize that, while the District has requirements for specific activities of parent organizations associated with the District, a school or program, the activities and finances of the parent organization are the ultimate responsibilities and obligations of the organization, not the District or its employees. This handbook does not provide any legal, financial, or tax advice. Members of parent organizations should seek such advice independently of the District as determined necessary.

OVERVIEW

The purpose of this handbook is to provide parent organizations with guidance in order to comply with school board policies, laws, regulations and organizational bylaws. This handbook will provide guidelines for fiscal accountability measures that will uphold the integrity of the organization and help ensure funds are spent for the purpose related to the financial goals and objectives of the organization.

Within each of the following topics, the words “shall” or “must” reflect a district requirement. More passive words such as “should” or “may” reflect recommendations based on sound accounting practices, tax implications and guidelines from regulatory agencies. This includes topics in which the organization should seek outside professional advice.

A Booster Organization supports a particular student group or program through a Sponsor(s). A PTO supports their campus through the Campus Principal. The Sponsor(s) is (are) a District employee who serves as the liaison between the Booster Club and the District. In addition, the Campus Principal must approve various activities of both the student group and the related Booster Club. The main responsibilities of a Booster Club or PTO, a Sponsor, and a Campus Principal are indicated below:

Booster Club: A Booster Club helps to enrich the school’s participation in student activities and is responsible for supporting a student group, activity or program. Support may be as simple as providing refreshments for a particular event or support may be as complex as raising money for an out-of-area competition. The Booster Club works through the Sponsor to provide assistance for the planned activities of the student group and may provide suggestions about particular activities. However, the Sponsor is responsible for the final decision with the Principal/Administrator’s approval.

Sponsor of a Booster Club: A Sponsor is an employee of the District who serves as the liaison, under the supervision of the Principal/Administrator, between the Booster Club and the District. The Sponsor is responsible for determining the various activities in which the student group will participate with the approval of the Principal/Administrator. In addition, the Sponsor shall work very closely with the Booster Club and provide guidance to the organization. The Sponsor shall not be considered an officer or member of the Booster Club. However, the Sponsor shall approve all student/school-related activities of the Booster Club in accordance with Board Policy GE (Local).

Principal (for Booster Clubs): The Campus Principal is responsible for approving the activities of the student group and some activities of the related Booster Club.

Parent Teacher Organization: A PTO is responsible for supporting the students and staff on a campus. Support may be as simple as providing refreshments for a particular event or support may be as complex as raising money for a campus project. The PTO works through the Campus Principal to provide assistance for the planned activities for the students or staff; however, the PTO does not have the authority to decide the activities in which the student group will participate. The parents and members of the PTO may provide suggestions about particular activities; however, the Campus Principal is responsible for the final decision.

FORMATION OF A PARENT ORGANIZATION

The following guidelines are to provide a general concept related to the steps that should be taken when forming an organization. Consultation with the appropriate professional (accountant, attorney) is recommended.

Guidelines For Getting Started as an Organization

1. Incorporate as Nonprofit Corporation – Secretary of State, Form 202
2. Get an Employer Identification Number – IRS, Form SS-4
3. Get a Sales Tax Permit – State Comptroller, Form AP-201 or file online
4. File for Exemption under 501(c) (3) – IRS, Form 1023
5. File for Exemption from State Sales Tax, Franchise Tax and Hotel Tax – State Comptroller, Form AP-204 (Booster Clubs), AP-207 (PTO)

STATE AND FEDERAL REPORTING

Non-Profit Corporations

Although not required, organizations are encouraged to incorporate under the Texas Business Organizations Code. A non-profit organization is created by filing a certificate of formation with the Secretary of State in accordance with the Texas Business Organizations Code. A non-profit corporation is characterized by the fact that no part of the income is distributable to members, directors, or officers. Not all non-profit corporations are entitled to exemption from state or federal taxes.

Completion of Form 202

Certificate of Formation Nonprofit Corporation is necessary to incorporate a booster club. This form is available on the Secretary of State's website (refer to the References page of this document for the website address). Two copies of the signed Form 202 should be submitted along with a filing fee.

Other non-profits may be established, such as an association. The organization should seek outside counsel for assistance in determining the type of non-profit that will best suit the organization.

Application for Federal Tax-Exempt Status

Each organization must file for an employer identification number on Form SS-4, Application for Employer Identification Number.

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 organization must apply for this status on Form 1023 – Application for Recognition of Exemption under Section 501(c)3 of the Internal Revenue Code. General instructions on the rules and procedures can be found in IRS Publication 557 – Tax- Exempt Status for Your Organization. These documents are available on the Internal Revenue Service website (refer to the References section for the website address). 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 filing fee varies based 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 exempt status. In addition, a copy of the letter shall be provided to the Deputy Superintendent and the Business Office.

Application for State Sales Tax Permit and Tax-Exempt Status

A Sales Tax Permit should be applied for if fundraising will be conducted by the organization. This is filed with the State Comptroller's Office by submitting Form 201 or by applying online. See State Comptroller's website in the Reference section of this handbook.

The organization should apply for an exemption from sales tax, franchise tax and state hotel occupancy tax from the Texas State Comptroller's office. [Completion of Form AP-204 (Booster Clubs) or AP-207 (PTO)].

Filing Requirements

Every organization exempt from federal income tax under section 501(a) is required to determine the necessity of filing an annual Form 990, Return of Organization Exempt from Income Tax. Consult with your tax professional or the IRS for additional assistance.

Even though organizations are recognized as tax exempt, they 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. An organization that has \$1,000 or more gross income from UBI must file Form 990-T; Exempt Organization Business Income Tax Return.

File annually Form 1099 to unincorporated vendors and individuals who received payments of \$600 or more for services rendered, as well as Form 1096 with the IRS.

A sales tax return must be filed with the Comptroller of Public Accounts on either a monthly, quarterly or annual basis, as determined by the amount of sales tax due.

OFFICER AND COMMITTEE GUIDELINES

Each organization must develop and maintain bylaws that shall be jointly reviewed on an annual basis by the Campus Principal and the parent organization officers. A current copy of the organization's bylaws must be submitted to the Deputy Superintendent and the Business Office.

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 upon any matter of business of the organization.

The bylaws shall specify that there is a continuous four-year maximum term that members may serve in roles as the President or Treasurer. In addition, the bylaws shall address the restriction that only one member of a family may serve as an officer at the same time, unless parents are serving as co-chairs in the same office which limits the family's vote to one.

Employees of the District shall not serve in a financial capacity of an organization. Financial capacity includes holding positions of Treasurer or serving as a check signer. In addition, employees of a campus may serve on the executive board of an organization that supports the campus/students of the same campus, provided they are not a check signer.

The organization should elect officers on an annual basis. The following are common officer positions and committees within an organization.

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 designated campus representative regarding organization activities (regularly is defined as monthly at a minimum);
- Resolve problems in the membership;
- Regularly meet with the Treasurer of the organization to review the organization's financial position. Review all financial statements at least on a monthly basis;
- Select an officer as the designee to receive bank statements through the mail at their home address or online. 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. This provides an independent review by an individual not associated with disbursement activity;
- Schedule an annual review (audit) of records or request an audit if the need should arise during the year;
- Perform any other specific duties as outlined in the bylaws of the organization;
- The President should review and have access to all documents related to the work of the PTO/Booster organization at all times;
- As this officer is held responsible for the ultimate work of the organization, it is their duty to ensure all members and officers are working in compliance with Aledo ISD policy, as well as state and federal regulations;
- The President and one other designated officer should sign any legal or financial contract or agreement between the organization and a 3rd party. No contract or agreement should be signed without one of the signatories being that of the President. No contract or agreement should ever be signed on behalf of Aledo ISD;

Vice-President

The Vice-President acts as the President's representative in his/her absence. He/she should remain familiar with the organization's activities. 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 specific duties as outlined in the bylaws of the organization.

Note: Larger organizations may find it necessary to elect several Vice-Presidents with responsibility over different areas. Such positions should be clearly defined in the bylaws of the organization. School district employees shall not serve in the capacity of Vice-President if the Vice-President is authorized to sign checks, approve payments, or has oversight of any other financial responsibilities within the organization.

Secretary

The Secretary is responsible for keeping accurate records of the proceedings of the organization and reporting to the membership. The Secretary should 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 organization if such a governing board is defined in 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 association 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 specific duties as outlined in the bylaws of the organization.
- School district employees shall not service in the capacity of Secretary if the Secretary is authorized to sign checks, approve payments, or has oversight of any other financial responsibilities within the organization.

Treasurer

The Treasurer is the authorized custodian of the funds for the organization. The Treasurer receives and disburses all monies indicated in the budget and prescribed in the local bylaws or as authorized by action of the organization. All persons authorized to handle funds of the organization should 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);
- 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 within a reasonable timeframe, if requested;
- File current financial reports at the end of the school year with the Campus Principal and the Business Office;
- 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 comptroller's office (monthly, quarterly, or annually);

- File annual IRS form 990, 990-N or 990-EZ in a timely manner;
- Submit records to audit committee appointed by the organization upon request or at the end of the year. Please see "Budgetary & Oversight Controls" for specific audit requirements;
- Other specific duties as outlined in the bylaws of the organization. Note: Due to the increasing requirements placed on charitable organizations by regulatory authorities, it is strongly recommended that the Treasurer have an accounting background. School District employees shall not serve in a capacity of Treasurer.

Ad Hoc 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. Ad Hoc committees should complete their assignments within the current school year. If the objectives are not met at the end of the school year, officers will be required to 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 would not be included on a scholarship committee since their child is a potential recipient of the monies.

Nominating Committee

The nominating committee is 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 (typically by mid-April) so that elections may be held no later than May 1.

Review (Audit) Committee

At the end of the fiscal year (May 31 or August 31), an audit of the organization's financial records should be conducted. The audit should be performed by individuals who are independent from day-to-day financial activities. Ideally, this audit should be performed by a group of three individuals; however, if the membership size does not allow, the audit may be performed by two individuals. The primary objectives of the audit are to:

- Verify the accuracy of the Treasurer's financial reports; Ensure that the club'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;
- All members of the audit committee should sign a statement indicating their agreement with the findings detailed in the report.

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 make records available as requested by the committee. Suggested audit guidelines are included in Appendix A of this handbook. Copies of final audit reports shall be submitted to the Business Office by October 1 of each year for compliance with GASB 39 and accounting by the District to recognize the value of donations made on behalf of the parent organizations for the benefit of the students.

Election of Officers

The election of officers of the organization should occur within the timelines and manner prescribed by the organization bylaws (typically annually). In most cases, the election of officers should occur by May 1 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 audit of the accounts should be completed no later than 30 days following the end of the fiscal year.

Officers may be elected by different methods (i.e., simple majority, secret ballot) in accordance with the organization's bylaws. The election of officers should be from a slate of officers presented by the 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. Refer to the beginning of the Officer and Committee section of the handbook for specifics on maximum terms and limited family members in officer roles within the organization.

Standards for Meeting

Notice of all meetings of the organization shall be posted at least seventy-two hours prior to the meeting date. The posting can be in the office of the campus or on the campus and/or organization websites. The notice should clearly indicate the date and time of the meeting and the items to be discussed. It is preferable that all parent organization meetings take place on district premises. However, virtual meetings may be held if needed. In order to provide an optimum level of communication and teamwork, meetings of the general membership and organization board (executive committee) shall be held in the presence of the Campus Principal, Director of Athletics, Fine Arts Coordinator, and/or other school Sponsor (if applicable). Business determined at meetings without adequate campus representation shall be considered null and void.

Rules for Dissolution

To dissolve an organization, a resolution should be adopted by the organization (or the executive board if the organization is inactive) stating that the question of such a dissolution be submitted to a vote at a special meeting of the members having voting rights. At least 30 days prior to the meeting, written or printed notice should be given to each member entitled to vote stating that the purpose of such meeting is to consider the advisability of dissolving the organization. The organization should 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 – i.e., band booster funds would remain with the musical program at that particular campus. Any other distribution of funds could void the organization's tax-exempt status and force it into a fully taxable situation.

Record Keeping

The Secretary and Treasurer of the organization should turn records over to the incoming officers within 30 days of election. A retention schedule of records should be created and maintained. Certain records, such as Articles of Incorporation/Association, Bylaws and amendments, IRS Determination Letter, annual budget, end of year financials and tax filings should be maintained as permanent records. Day to day financial records should be

maintained for at least 7 years. Other records should be identified and maintained in accordance with the records retention schedule.

Partnering with Aledo ISD

Parent organizations are a vital partner in the education of our students and strengthen our ability to provide quality programs and services. The District strives to maintain strong relationships with each parent organization. To maintain healthy and professional relationships, the following guidelines shall be followed by parent organizations operating within Aledo ISD:

1. Comply with all applicable Aledo ISD board policies and administrative guidelines, UIL guidelines, federal and state rules, laws, and regulations.
2. A Booster Club is responsible for supporting a student group, activity or program and a PTO is responsible for supporting the students and staff on a campus. The Campus Principal and/or Sponsor must be involved with all fundraising planning and decision making.
3. Maintain strong and ongoing fundraising communication with the Sponsor, Campus Principal, Director of Athletics and/or Fine Arts Coordinator, as appropriate.
4. Submit the following documents to the Director of Athletics (AABC and Cheer), Fine Arts Coordinator (Band, Theatre, Dance, and Choir), or Campus Principal (all other organizations not listed) on or before September 15 of each school year:
 - [Fundraising Activity Approval Form](#) for the current fiscal year
 - Current adopted bylaws
 - Proposed budget for the current fiscal year
 - Operating procedures/standing rules
 - Minutes of all meetings for the previous fiscal year

After review/approval by the Campus Principal, Director of Athletics, or Fine Arts Coordinator, these documents will be submitted to the Deputy Superintendent for final review/approval.

5. Comply with Administrative guidelines and Board policy (CDC) when donating money or other items to the District.
6. Share a mutual respect for protocol and campus guidelines when communicating with staff.
7. Communicate to vendors and others that parent organizations' activities, contracts, purchases, or financial commitments are made on behalf of the organization and not Aledo ISD or any of its campuses.
8. Maintain separation of duties between organization officers and Sponsors of school club or athletic groups. District employees, including Sponsors, are prohibited from direct financial authority or financial oversight within the organization. Exception: employees, as a parent (member of the organization) may participate in fundraising activities, such as selling tickets at a carnival or selling discount books.
9. Comply with all Aledo ISD facility use requirements.
10. Adhere to standards of confidentiality as outlined in the Confidentiality and Commitment Guidelines provided in the Aledo ISD Volunteer Handbook.
11. Use this Parent Organization Handbook only as a guide. Obtain competent, independent counsel on legal, accounting and tax matters related to specific organizational needs and UIL guidelines.

FINANCIAL INFORMATION

General

The organization's bylaws shall stipulate the creation and approval, by its membership, of an annual budget. This is typically done in late spring or early summer for the upcoming school year. The budget shall be submitted to the Campus Principal and Deputy Superintendent to review for reasonableness. A copy of the final approved budget shall be submitted to the Business Office. Changes to the budget during the year shall be approved by the membership.

All organization business addressed during meetings should be approved and reflected in the meeting minutes to provide documentation of the membership's directives.

There are a wide variety of computerized accounting packages 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 based upon their ease of use, cost, required training, and transferability to forthcoming treasury officers.

District Orientation

In the spring of each year, the District will provide information to the organization Presidents, Treasurers, and Sponsors with regard to district requirements, financial controls and reporting, and other general topics.

Liability Insurance

Organizations must purchase general liability insurance to protect the organization and its members, or at a minimum, must have documentation of event insurance coverage for activities conducted on school premises. Coverages to be considered should include general liability, officer's liability, business personal property (if organization owned property exists), and fidelity (otherwise known as bond) coverage. The cost of the insurance varies depending on the amount of coverage but is generally reasonable. Insurance underwriters for organizations, in many cases, require an annual audit to be performed by a Review (Audit) Committee and should have a procedure in place to have bank statements and reconciliations reviewed by members without check signature authority.

Financial Reporting to the District

GASB Statement No. 39 of the Governmental Accounting Standards Board requires the District to obtain and review financial performance information of supporting organizations to determine whether these organizations should be considered a component unit. Organizations are required to submit to the Business Office the end-of-year financial statements (including balance sheet and income statement). Audited Financial Statements shall be submitted to the Business Office by October 1 of each year.

Internal Controls

In order to protect the organizations, its members, and its financial well-being, standard internal controls should be in place. The following is a summary of basic internal controls necessary to prevent the loss of funds through carelessness, mistakes, or misappropriation.

Controls over Bank Accounts

- Organizations should establish a checking account at a bank or credit union. Accounts should be established with at least three individuals on the signature card. It is recommended that checks should require the signature and authorization of two organization officers. Original signatures, not stamped

signatures, should be affixed to each check or approval form for payment. If the organization decides not to have checks signed by two (2) organization officers, additional internal controls must be in place to ensure all expenditures are approved/appropriate for the organization.

- A member of the Finance committee, or other designated board member, should review and sign off on monthly reconciliations;
- Bank statements should be reconciled within 30 days of the date of the statement to ensure that possible inaccurate transactions are identified and communicated to the financial institution for correction.

Controls over Cash and Receipts

- If possible, all cash collections received by the organization for fees, dues, fundraising, etc. should be deposited upon receipt. Deposits should be made daily if the total receipts on hand exceed \$250. If daily receipts are less than \$250 and a daily deposit cannot be made, then 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;
- Deposits should be supported by some type of record documenting the source and amount of funds (tabulation of monies collected form; cash receipt form, ticket sales record, etc.). Documentation should be readily available for audit/review purposes;
- Checks should be endorsed immediately;
- Do not secure deposits in the same location as other financial records;
- Cash should be adequately safeguarded at all times. For example, do not keep cash in an unlocked drawer;
- Do not use un-deposited cash for the purpose of making payments.
- If an organization approves the use of alternative payment methods for the receipt of monies, such as PayPal, Apple Pay, Venmo, etc., these payment methods must only be used through the organization's bank account. These payment methods may not be used via the personal bank account of an organization member.

Controls over Disbursements

- Checks should not be generated without proper documentation (i.e., invoice, original receipts, etc.). Supporting documentation should also include the approval signature of the President, or Vice-President in the absence of the President;
- Checks should require the original signature of two officers;
- Blank checks should not be issued. Officers should not sign incomplete checks;
- Original receipts should be requested by a person making a purchase and submitted by that person to the Treasurer when a reimbursement is being requested.

Budgetary & Oversight Controls

- Members should establish and approve a budget no later than September 15. Actual receipts and disbursements should periodically be compared to the budget;
- At each meeting, the Treasurer should provide a written financial report which should include the bank account balance and the receipt & disbursement activity since the last meeting. The financial report should also include a comparison of budgeted versus actual receipts and expenditures;
- At the completion of fundraisers, a financial recap should be prepared to determine the profitability of the

fundraiser;

- At the end of the fiscal year, a review (audit) of the organization's financial records should be conducted. The review (audit) committee should make a report to the general membership upon completion of the review. A copy of the signature page detailing the results of the review shall be forwarded to the Business Office. For additional information, refer to the section titled Audit (Review) Committee and Appendix A.

Cash Receipt Procedures

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

- Separate all currency and coins by denomination and carefully count and record it in the appropriate section of the bank deposit form. Endorse all checks immediately;
- A calculator tape may be run for any checks included in the deposit rather than indicating the checks individually on the deposit slip form. A copy of the tape should be retained with your copy of the deposit records;
- Total the deposit slip;
- Tally the pre-numbered cash receipts and make certain that this total matches the deposit total;
- Attach the cash receipt verification with a copy of the deposit slip and file in date order;
- 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;
- Both individuals should initial next to the currency amount on the deposit slip;
- 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 incorrect.

Petty Cash

Petty cash for general purchases is not recommended. Organizations should maintain a small petty cash account at the time of an active fundraiser for the purpose of providing change to customers during fundraising activities. Petty cash should be returned to the bank at the end of the fundraising activity. Strict controls should be maintained by keeping 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 prohibited.

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.

Items needed for reconciliation:

- Bank reconciliation form;
- Prior month's bank reconciliation;
- Bank statement;
- Check Register and/or Cash Disbursements Journal;
- Cash Receipts Journal;

- General Ledger.

How to complete the bank side of the reconciliation form

1. Indicate the ending balance per the bank statement.
2. Check off outstanding checks from prior month's bank reconciliation using the bank statement.
3. Determine the outstanding checks by comparing the Check Register to the bank statement, including any remaining checks from the previous month.
4. Determine the deposits in transit by comparing the Cash Receipts Journal to the bank statement.
5. Identify any items that need to be corrected by the bank, such as check printing, returned check charges and encoding errors.
6. Total all items and enter the amount on the Adjusted Bank Balance line.

How to complete the General Ledger side of the reconciliation form

1. Indicate cash account ending balance from the general ledger.
2. Compare the bank statement to the Check Register and list any cleared checks that were not posted.
3. Indicate any outstanding returned checks.
4. Indicate the interest earned per the bank statement. This amount should be immediately posted.
5. Identify any items that need to be corrected on the General Ledger (such as encoding errors) under Other Adjustments.
6. Total all items and enter the amount on the Adjusted Cash Balance line.

Compare the adjusted bank balance to the adjusted cash balance to make sure these are in agreement. If they are not, the reconciliation is NOT complete. Examine the prior month's reconciliation to ascertain that all items have been posted and/or corrected.

A computerized reconciliation program may be used in conjunction with the organization's financial package. In addition to the reconciliation, the cancelled checks or imaged copies of checks should be reviewed to ensure that the payee is consistent with that identified in the check register and endorsements on the check are reasonable.

Disbursement of Funds

At the outset of the 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. The purchase of alcoholic beverages is not a permitted use of organization funds.

Organizations must coordinate fundraising with the Campus Principal, Director of Athletics, Fine Arts Coordinator, and/or the Deputy Superintendent prior to conducting the fundraising activity. See Fundraising Section.

Other events, such as banquets, are to be coordinated with and approved by the Campus Principal, Director of Athletics, Fine Arts Coordinator, and/or the Deputy Superintendent prior to the event.

University Interscholastic League (UIL) rules limit the ability of students to accept gifts. Awards that students may receive are specifically outlined in Subchapter O, Section 480(a) (2) of the UIL Constitution and Contest Rules. Although all types of student activities are not regulated by UIL, for student consistency and fairness, UIL guidelines

must be followed by all booster organizations. No gifts or purchases that individually benefit students shall be made outside of UIL guidelines.

To ensure compliance with UIL guidelines that govern athletic activities, all related disbursements through the athletic booster club shall require the approval of both the Sponsor (Coach) and the Director of Athletics, or Fine Arts Coordinator. Organizations should be aware of the possible financial hardship that the costs may have on certain families of participating students when establishing fees and setting fundraisers. Reasonable efforts should be made to ensure that all individuals are able to participate in activities without a financial hardship.

Organizations may not contribute funds to the school district 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.

It is suggested a disbursement voucher 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. The organization should establish a timeframe in which volunteers may be reimbursed for purchases made by the volunteer. For example, a volunteer should submit a completed reimbursement request form no later than 30 calendar days after the purchase, and no later than the last day of the organization's fiscal year.

1099 Requirements

Internal Revenue Service guidelines require that all payments for services of \$600 or more made to an individual or unincorporated vendor by an organization be reported on a Form 1099 on an annual basis. The organization should secure an IRS form W-9 from the provider at the time of service to ensure that the organization has an accurate record of the taxpayer identification number. The organization should then issue a Form 1099 to all qualifying vendors who performed services in the preceding calendar year by January 31st. If payment is made to an individual, the following guidelines can be used as a guide to determine if an individual should be considered an employee or contract labor:

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 assistants. 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 expense

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 a plan that is accountable).

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.

Employer’s 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 may be accessed for appropriate 1099 reporting requirements and forms.

FUNDRAISING

Each district-affiliated school-support or parent organization shall submit the documentation and information that is required to be submitted to the District by Board Policy GE (Local).

Types of Fundraisers / Activities Requiring Approval

There are 4 types of activities (Major Fundraisers, Passive Fundraisers, Monetary Philanthropic Drive, Non-Monetary Donation Drive) which require prior approval from the Deputy Superintendent:

Major Fundraisers

A “major fundraiser” is any fundraising event or activity that occurs within a defined time period and involves students, staff, parents or volunteers selling, soliciting, promoting, or contributing to benefit the campus or school district.

Passive Fundraisers

A “passive fundraiser” is an event that occurs without solicitation, where the customer seeks the transaction himself. The following are examples of passive fundraisers:

- Sales from student stores or concessions at non-athletic events
- Box top collections
- Ongoing spirit wear sales
- Ongoing retail programs (Target, Chick-Fil-A, Amazon Smiles, etc.)

Group Conducting Event	Major Fundraisers	Passive Fundraisers	Monetary Philanthropic Drive	Non-Monetary Donation Drive
Parent Booster/ PTO	3	Unlimited	0	0

Other Activities

Certain campus activities do not require approval by the Deputy Superintendent. Ticket sales for other activity types, which are not considered to be fundraisers, include, but are not limited to:

- Spring shows
- School dances
- School plays

Allowed Number of Fundraisers

Each parent booster organization may conduct a maximum of **3 major fundraisers** between June 1 and May 31 of each year. However, in limited, extenuating circumstances, the Deputy Superintendent, the Director of Athletics, or the Fine Arts Coordinator may permit an organization to conduct more than three major fundraising activities between June 1 and May 31 of each year. There is no limit on the number of **passive** fundraising activities. In addition, boosters may offer support to their student groups if the students choose to host a **philanthropic drive** or **donation drive**.

Approval Process for Fundraisers

Fundraising activity forms must be submitted to the proper person (Campus Principal, Director of Athletics, or Fine Arts Coordinator) on or before September 15. However, should an additional fundraising need arise during the year, the fundraising approval request must be submitted at least three weeks prior to the start of the fundraising activity. Please do not start your activity until you have received an email confirmation from the Campus Principal, Director of Athletics, Fine Arts Coordinator, or Deputy Superintendent that it has been approved.

Parent Teacher Organization

PTO shall obtain prior approval for each fundraising activity. The organization must submit the fundraising request form(s) to the Campus Principal on or before September 15. Please do not start your fundraising activity until you have received an email confirmation from the Campus Principal, or Deputy Superintendent.

Booster Organization

The Booster Organization Representative must submit the fundraising request form(s) to the Director of Athletics (AABC, Cheer), Fine Arts Coordinator (Band, Theatre, Choir, Dance), or Campus Principal (all other organizations not listed). Please do not start your activity until you have received an email confirmation from the Campus Principal, Director of Athletics, Fine Arts Coordinator, or Deputy Superintendent.

Approval by Campus Principal, Director of Athletics, or Fine Arts Coordinator

Once the request has been submitted, the Campus Principal, Director of Athletics, or Fine Arts Coordinator will individually review all fundraising activities requested, and will coordinate his/her recommended changes, if any, with the organizations or Sponsors. The Campus Principal, Director of Athletics, or Fine Arts Coordinator:

- Will not approve any fundraising requests that exceed three major fundraisers in the year for a specific parent organization.
- Will review the content and approve only fundraisers that are financially sound and are determined to be an efficient means to meet the established purpose.

Final Approval by Deputy Superintendent

The Deputy Superintendent will review organization fundraising requests that have been approved by the Campus Principal, Director of Athletics, and Fine Arts Coordinator to determine:

- Compliance with District policy and regulations.
- Whether any fundraisers are in conflict with other fundraisers, and if so, to work with the groups to reschedule fundraisers in an effort to minimize the impact on students, staff, parents, and/or community.

Faculty Sponsor Responsibilities for Organization Fundraising Activities

The faculty Sponsor of any organization that is fundraising will be responsible for the coordination of the activity between students, Campus Principal, Director of Athletics, Fine Arts Coordinator, and/or booster parents. If the fundraiser includes the sale of prepared foods, the Sponsor must work with his/her booster parents to determine whether a permit will be required from County/City agencies.

Individual Accounts

Organizations should not credit "individual" student accounts based on the student or parent's participation in fundraising events. The credit should not be based on a proportionate share of the amount that is "earned" by the student or parent during the fundraiser.

The above 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

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, organizations may develop specific criteria that must be met in order for a benefit to be given to a member, such as attendance.

Raffles

Organizations are permitted to hold raffles within the following guidelines. See the link to the Texas Attorney General's website in the Reference section of this handbook for additional requirements.

- The organization must have been in existence during the three preceding years and is exempt from federal income tax under 501(c) (3) of the Internal Revenue Code;
- 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 \$75,000;
- Each organization may hold no more than four (4) 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 "stored-value" credit cards are acceptable as they are not considered negotiable instruments;
- The 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 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;
- Phone solicitation may not be used to promote the event.

Bingo

An organization should consider all applicable regulations for bingo. Detailed rules may be obtained from the Texas Lottery Commission by requesting a copy of the Bingo Enabling Act, the Charitable Bingo Administrative Rules and Bingo Operations Manual by calling 1-800-BINGO77. Additional information is available on the Texas Lottery website, txlottery.org/export/sites/bingo/indexhtml.

Sales Tax

Organizations that have applied for exemption from the Comptroller's Office should be exempt from sales tax when making purchases. However, when making sales, sales tax must generally be collected. For purposes of sales tax, a calendar year is considered the reporting year (January 1 – December 31).

Taxable Status of Purchases

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

The District's exemption status may not be utilized by parent, booster, patron, or alumni organizations to secure exemption from sales and excise taxes. Parent/teacher groups and booster clubs must apply for their own exemption.

Items which 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 Aledo ISD through budgeted funds as an award to a student are not taxable.

Meals purchased by the organization for athletic teams, bands, etc. on authorized school trips are exempt from sales tax if the organization contracts for the meals. The organization must pay for the meals with an organization check and provide an exemption certificate.

Individual members of the athletic team, band, etc., 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 organization should collect sales tax on all taxable sales. 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 collect \$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. If this method is used, divide the total sales by 1.0825 (assuming a tax rate of 8.25%) to find the taxable sales. To determine the sales tax amount, subtract the taxable sales from the gross sales.

Taxable Status of Sales

School and school related organizations need not collect sales tax on the following:

- Admission tickets;
- Club memberships; and
- Food and drinks sold at school functions.

Therefore, unless it is a tax-free 24-hour sale, state and local sales taxes should be imposed and collected on all sales for:

- Items sold by the school store (i.e., pencils, erasers, paper, etc.);
- Any other item sold as personal property (i.e., school pictures, etc.);
- All sales of items such as handicrafts, T-shirts, candles, cups, books, and school supplies sold by an organization during a fundraising drive;
- All other personal property except for those items specifically excluded above.

Tax-Free 24-Hour Sales Day

Parent organization groups that are a 501(c) (3) organization under the Internal Revenue Code and have received tax-exempt status with the State Comptroller's Office are allowed to have two, one-day tax-free sales each calendar year. During these tax-free sales, the school may sell any taxable item tax-free. The exemption does not apply to items sold for more than \$5,000, unless the item is manufactured by the organization, or the item is donated to the school and is not sold to the donor.

One-day means 24 consecutive hours. Generally, title passes to the purchaser when the item is given to the purchaser. In the case of pre-ordered and pre-paid sales, title can transfer as soon as the seller (parent organization) receives the order. Therefore, the date the items are delivered by the vendor to the seller is designated as the one day for the purposes of the tax-free sales. However, persons buying from surplus stock on subsequent dates after the tax-free day will owe sales tax on the items.

Agent or Sales Representative

When a parent organization raises funds by acting as a sales representative or agent for a for-profit retailer, the retailer is the seller and the sale will not qualify as one of the school's tax-free sales days. The parent organization is acting as an agent when the for-profit company coordinates the fundraising, including setting the price for items sold and providing their materials (i.e., brochures and order forms), and the parent organization merely receives a commission for the items sold. When the school is acting as the selling agent for the for-profit company, the for-profit company is required to collect and remit the sales tax on the taxable items sold. The for-profit company is free to set the selling price of the item at an amount of its choosing, and sales tax is due on the sales price.

When the school receives a commission from a vendor, the tax-free day sale provisions do not apply because the sale is the vendor's sale, not the school's sale. The vendor is the retailer and the vendor is not eligible for a tax free

sale. In this instance, the school does not report the sale and the vendor should report the sale and remit tax to the Comptroller's Office.

Sales tax should be filed in accordance with the Comptroller's guidelines. Further information can be found on the Comptroller's website included in the References section of this handbook.

Donations

In accordance with Board Policy DBD (Local), school district staff "shall not accept or solicit any gift, favor, service, or other benefit that could reasonably be construed to influence the employee's discharge of assigned duties and responsibilities."

Students engaged in UIL activities shall not accept gifts except as provided by UIL Constitution and Contest Rules.

In accordance with Board Policy CDC (Local), donations to the District shall become the sole property of the District.

Guidelines regarding donations are as follows:

- To be acceptable, a donation must have a purpose consistent with District goals, plans, and objectives as determined by the Superintendent and/or Board. A donation shall not be accepted if it:
 - » Creates a program or condition that the Superintendent and/or Board believe to be inconsistent with District policies, philosophy, or current or future plans or purposes.
 - » Creates costs to the District that are determined by the Superintendent and/or Board to be unreasonable or unsupportable.
 - » Creates a restriction on any other school or District program that the Superintendent and/or Board deem inconsistent with District policies, philosophy, or current or future plans or purposes.
 - » Creates a conflict with public law.
- Donors must seek prior approval of their proposed donation through the approval process described in board policy:
 - » Any donation that is given to a school or program of the District shall become the property of the District. All donations shall be consistent with District goals, policies, and plans.
 - » Any donation given without a specific use or designation may be allocated for use by any school or program at the discretion of the Superintendent and/or designee.
- Donations must have approval through the following procedure:
 - » Completion of the [District application for donation](#) shall be submitted to the Superintendent or designee and shall include:
 - Name, address, phone number, and name of the person authorized by the donor (if other than the donor) to act on behalf of the donor. Signature of donor on the application for donation.
 - Description of the donor's purpose for the donation.

- Amount of value of the donation.
- Provisions or restrictions of donation (if any).
- To be deductible as a charitable contribution, a payment to 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 IRS purposes.

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 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 the male and female programs, collectively, receive comparable levels of service, facilities, supplies, etc. The U.S. Department of Education oversees school districts’ compliance with Title IX.

Since PTO and booster club funding and activities are included in the analysis of the District’s compliance with Title IX, support organizations should have an awareness of the law and the District’s requirement for compliance.

Scholarship Programs

The District requires booster clubs to implement scholarship programs that are consistent with all other scholarship programs. Since the purpose of the booster organization is to operate in support of their selected program, scholarships not relating to program activities should be limited in accordance with IRS guidelines. **The total of all continuing education scholarships shall only represent no more than 25% of the booster organization's operating budget for the year.** The main principle of funding by an IRS 501(c)(3) nonprofit booster club is that the booster club may not discriminate in making grants to youth or college students on the basis of their family's membership in or funding to the booster club.

Requirements for scholarships include:

1. All qualifying seniors must have the opportunity to apply for the scholarship(s).
2. The Campus Principal and lead counselor should be consulted regarding the establishment of an application process to ensure that implemented processes are consistent with other scholarship programs on the campus.
3. 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.
4. The Scholarship Review Committee must consider all qualifying applicants, but applicants identifying information must be redacted on all information shared with the committee to ensure confidentiality and impartiality throughout the review process.
5. The Scholarship Review Committee must be appointed by the President of the booster club before the scholarship application process opens.
6. The Scholarship Review Committee must be made up of an odd number (3-7) of members. Parents of students eligible for consideration for scholarships shall not be permitted to serve on the committee. To preserve the integrity of the selection process, the Sponsor shall not be involved in the work of the Scholarship Review Committee.
7. The qualification criteria for selection of scholarship winners (if any) must be communicated in writing to all potential applicants before the evaluation of applications commences 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 booster club membership no later than the May booster club meeting for changes effective in the upcoming academic year.
8. 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.
9. Scholarship applicants shall be full-time AISD senior students for a minimum of one full semester prior to the application deadline.
10. All scholarship applications which do not have the required information will be considered incomplete and returned to the applicant.
11. Applicants who have received full scholarships from other sources may not be eligible for local scholarships.
12. The applicant's intended major may or may not be a factor in scholarship consideration.
13. The applicant's enrollment in an accredited institution (college, university, trade school, military

academy, etc.) is a requirement for receiving scholarship funds. **Disbursement checks including scholarship funds shall be made payable to the college/university in the student's name.** Support for disbursement of funds shall include an invoice from the college/university.

14. The work of the Scholarship Review Committee shall be subject to review and evaluation by the Campus Lead Counselor or Campus Principal. If unacceptable practices have transpired during the Review Committee's work which jeopardize the impartiality of the process, the scholarship award decision may be overturned, and a new review process undertaken. District administrators will work to establish an impartial committee for reevaluation.

The scholarship committee may require an essay for judging purposes. 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.

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 Booster Club may require interviews of applicants in the decision process. If an interview is part of the process, it must be communicated to the applicant(s) no later than 30 days prior to the interview. The applicant's parent or guardian must be permitted to be present at any interview. Interview topics must be communicated to the applicant not less than 72 hours prior to the interview.

MISCELLANEOUS

The following guidelines apply to all parent/booster organizations. If a question should arise which cannot be resolved at the campus level, the Deputy Superintendent should be contacted for clarification.

- Failure to follow required policies and procedures of the District may result in refusal by the Campus Principal, Director of Athletics, Fine Arts Coordinator, or the Deputy Superintendent to allow related activities;
- All general meetings shall be public and posted in advance to both the organization and campus websites;
- The Sponsor shall notify the Campus Principal of all meetings and the Campus Principal, Sponsor, or Sponsor's designee, must attend all booster club general membership and board (executive) committee meetings;
- Any action taken at the meeting will be subject to review and revocation by the Sponsor or Campus Principal;
- 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 organization activities;
- Parents and 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 handbook;

- Each individual student's or group of students' participation will be determined by the Sponsor and the Campus 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 by each person 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 organization unless prior permission has been received from the Sponsor and the Campus 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 organization will occur outside the school day or as approved by the Campus Principal;
- Participation in any activity or travel associated with organization activities or field trips is a privilege and not a right for all involved. All student and employee travel will be under the auspices of the school and all participants will be approved by the Sponsor and Campus Principal;
- No cash will be given to any school employee to use at his or her discretion;
- Employees of the District shall not serve in a financial capacity of an organization. Financial capacity includes holding positions of Treasurer, fundraising chairperson, or serving as a check signer. In addition, employees of a campus may not serve on the executive board of an organization that supports the campus/students of the same campus;
- The purchase or consumption of alcoholic beverages while on school property or in the presence of students while attending or participating a school-related function is specifically prohibited;
- 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;
- Articles of formation and bylaws should be posted to the organization's website, if available;
- 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;
- Upon dissolution of an organization, a private termination letter ruling should be requested from the Internal Revenue Service.

15-Passenger Vans

Federal law prohibits dealers from selling or leasing 15-passenger vans for use in transporting students for school-related activities. Because of the risks associated with 15-passenger vans, organizations may not purchase, lease, or otherwise utilize 15-passenger vans to transport District employees, students, or equipment.

References – Contact Information

Aledo ISD	817-441-8327	https://www.aledoisd.org/
Internal Revenue Service	800-829-1040	https://www.irs.gov/
<i>Tax Exempt Organizations</i>	877-829-5500	https://www.irs.gov/charities-and-nonprofits
State Comptroller	888-334-4112	https://comptroller.texas.gov/
<i>Sales Tax</i>	800-252-5555	https://comptroller.texas.gov/taxes/sales/
<i>Franchise Tax</i>	800-252-1381	https://comptroller.texas.gov/taxes/sales/
<i>Tax Exemptions for Organizations</i>		https://comptroller.texas.gov/taxes/exempt/
Secretary of State		https://www.sos.state.tx.us/index.shtml
<i>Nonprofit organizations</i>		https://www.sos.state.tx.us/corp/nonprofit_org.shtml
Texas Attorney General	512-463-2100	https://www.texasattorneygeneral.gov/
<i>Raffles</i>		https://texasattorneygeneral.gov/divisions/charitable-trusts/charitable-raffles-and-casinopoker-nights
University Interscholastic League	512-471-5883	https://www.uiltexas.org/
<i>Guidelines for Booster Clubs</i>		https://www.uiltexas.org/policy/guidelines-for-booster-clubs
Aledo ISD Contacts		
Kim Raymond <i>Deputy Superintendent</i>	817-441-8327	kraymond@aledoisd.org
Ingia Saxton <i>Assistant Superintendent of Student and Community Programs</i>	817-441-8327	isaxton@aledoisd.org
Brandy Belk <i>Director of Athletics</i>	817-441-8327	bbelk@aledoisd.org
Missey Head <i>Fine Arts Coordinator</i>	817-441-8327	mhead@aledoisd.org
Earl Husfeld <i>Chief Financial Officer</i>	817-441-5111	ehusfeld@aledoisd.org

Aledo ISD Campus Principals		
Angela Tims <i>Aledo High School/ Daniel Ninth Grade</i>	817-441-8711 817-441-4504	atims@aledoisd.org
Mandy Musselwhite <i>Aledo Middle School</i>	817-441-5198	mmusselwhite@aledoisd.org
Josh Jenkins <i>McAnally Middle School</i>	817-441-8347	jjenkins@aledoisd.org
Holly Elgin <i>Annetta Elementary School</i>	817-207-3405	helgin@aledoisd.org
Gina Henze <i>Coder Elementary School</i>	817-441-6095	ghenze@aledoisd.org
Amy Sadler <i>McCall Elementary School</i>	817-441-4500	asadler@aledoisd.org
Katie Griffin <i>Stuard Elementary School</i>	817-441-5103	kgriffin@aledoisd.org
Jake Bean <i>Vandagriff Elementary School</i>	817-441-8771	jbean@aledoisd.org
Heather Street <i>Walsh Elementary School</i>	817-207-3355	hstreet@aledoisd.org
Christy Tolbert <i>Early Childhood Academy</i>	817-207-3015	ctolbert@aledoisd.org
Cheryl Jones <i>Aledo ISD Learning Center</i>	817-441-5176	cjones@aledoisd.org

SCHOOL BOARD POLICIES

Gifts and Solicitations	CDC Legal Local
Distribution of Non-School Literature	GKDA Legal Local
Advertising and Fundraising	GKB Legal Local
Visitors to the Schools	GKC Legal Local
Relations with Parent Organizations	GE Legal Local
Student Fundraising	FJ Legal Local
Employee Requirements and Restrictions	DBD Legal Local

IMPORTANT DATES

Task	Date
Establish and approve a budget	No later than September 15
Submit the following documents to the Director of Athletics (AABC and Cheer), Fine Arts Coordinator (Band, Theatre, Dance and Choir), or Campus Principal (all other organizations not listed): <ul style="list-style-type: none"> • Fundraising Activity Approval Form for the current fiscal year • Current adopted bylaws • Proposed budget for the current fiscal year • Operating procedures/standing rules • Minutes of all meetings for the previous fiscal year 	On or before September 15
Submit copy of final audit report of the preceding year to the Business Office	By October 1
Issue Form 1099 to all qualifying vendors who performed services in the preceding calendar year	By January 31
Elect officers	No later than May 1
Conduct end of fiscal year audit of the organizations financial records	May 31 or August 31

APPENDIX

Parent Organization Sample Financial Review Guidelines

Review Procedures

Have the Treasurer prepare the written report of revenues and expenditures for your organization. The report should include information for the twelve months after the ending date of the previous year's financial report.

The audit should take place without the presence of any board member associated with the upkeep of the records. It should be done in an independent environment so as to eliminate the possibility of bias. If at all possible, it is encouraged to hire a professional auditor to complete the process.

All documents should be surrendered to the auditor(s) for review. Any questions from the auditor or audit committee should be formally requested in written form from the Treasurer and President.

The committee's review should cover the period beginning with the reconciled cash balance from the previous written financial and ending with the reconciled cash balance from the last day of the time period reported by the organization. If the organization is using an accrual basis financial report, then the beginning retained earnings should equal the prior year's ending retained earnings balance plus (minus) net income (loss) for the current year.

Manually foot all columns of the financial report for accuracy. Verify the sum of the transactions reflect the corresponding balances on the financial report.

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

1. 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.
2. Determine whether any cash corrections were identified on bank statements. Ensure that reasonable explanations are available.
3. Compare the number of cleared checks included in the bank statement with the number that is noted on the bank statement to ensure agreement.
4. Ensure that cleared checks contain signatures of individuals authorized to sign checks.
5. Bank accounts should be established to require two signatures.

Receipts

1. 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.
2. Trace deposits to collection documentation and prepared cash receipts for agreement.
3. Trace deposits to bank statements to ensure agreement.
4. 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

1. 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.
2. Trace checks to supporting documentation such as invoices, receipts, approved expenses related to fundraisers, or other reasonable explanations.
3. Review the canceled check to ensure agreement of payee name, endorsement, and check amount.
4. Trace disbursements to budget approved by the membership or meeting minutes.
5. For bank withdrawals for the purpose of establishing a change fund for an event, confirm that the change fund was later re-deposited.

Budget

1. Ascertain the original adopted budget from the minutes.
2. Review budget amendments and cross-reference to approval from the membership
3. Verify that expenditures did not exceed the budget in each category.
4. Verify that the ending budget is the original budget plus/minus membership approved amendments.

Fundraisers

1. 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.
2. Determine whether fundraiser applications were prepared and submitted to the Campus Principal for each fundraiser.

Miscellaneous

1. Inventory remaining check stock to confirm that all checks are present and sequential.
2. Ensure that the check number for the last check issued and first check available in check stock are sequential.
3. Confirm that check stock is retained in a secure place when not in use.
4. 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).
5. Determine that individuals were not credited proportionately for funds raised by those students or parents.
6. Verify that Form 1099s were issued, if applicable, for each individual or unincorporated company that was paid more than \$600 for services during the previous calendar year.

7. Ensure that sales tax reports were prepared and filed timely.
8. Verify that no more than two tax-free sale days were used in both the previous and current calendar years.
9. If IRS 990 form was filed, review for reasonableness.

Review Committee Findings

1. If recommendations were made by the previous audit committee, verify that those recommendations were implemented.
2. Review Committee is to prepare a report of findings. Any discrepancies should be reviewed with the President. Discrepancies are to be resolved prior to submission of report to the membership.
3. All committee members are to sign off on report, indicating a clean report or indicating any discrepancies.