



# PARENT SUPPORT ORGANIZATIONS GUIDELINES AND PROCEDURES

2019 Coaches/Administrators/Boosters Meeting

Sheila Cornelison, CSFO

Scottsboro City Schools

[scornelison@scottsboroschools.net](mailto:scornelison@scottsboroschools.net)

# PARENT SUPPORT ORGANIZATIONS

---

Many of our student programs and activities could not exist without YOU.

You unselfishly give money and time to our schools for the benefit of the students. We appreciate all you do for Scottsboro City Schools!

# THANK YOU!!!



# SDE GUIDANCE

---

- Memo issued November 8, 2007 (See Appendix A of Guidelines and Procedures)
- Designed to bring school related activities under the fiscal supervision of the Board
- Student Organizations, Athletics, Parent Organizations, Boosters, etc.

# FORMING A PARENT SUPPORT ORGANIZATION

---

- Complete and submit the **Parent Support Organization Registration and Approval Form** to the school principal (See Appendix B of Guidelines and Procedures)
  - Name and Purpose of Organization
  - Student Group to be Supported
  - Faculty Sponsor
  - Number of Parent Supporters
  - Signature of Group Representative and Faculty Sponsor
  - Approval of Principal and Superintendent

# ORGANIZATION BYLAWS

---

- Must be in writing
- Must be on file in the principal's office
- Must address the organization's structure and election of officers
- Must clearly state rules of membership
- Recommended bylaws
  - Name of Organization
  - Objective of Organization including the statement, "This organization will abide by all school board administrative policies and procedures."
  - Membership eligibility and enrollment process
  - Officer selection, election procedures, and duties of each officer
  - Principal or designee who will serve as ex-officio officer
  - How remaining funds will be handled if organization dissolves
  - How to amend the bylaws
- See Appendix C for a list of organizations who supply sample bylaws

# OFFICERS

---

- Members must be in good standing to hold office or vote
- Elected annually
  - President
  - Vice President
  - Secretary
  - Treasurer
- Newly elected officers should be in place for the start of the new school year
- Officer information should be submitted to the principal immediately following elections even if no change (See Appendix D)

# MEETINGS, RECORD KEEPING, AND DISSOLUTION

---

- Open meetings with adequate notification
- School representative should be present
- Minutes of meetings recorded by secretary
- Financial reports presented by treasurer
- Minutes and financial reports should be turned over to incoming officers within 30 days of election
- Dissolving a parent support organization
  - Adopt resolution
  - 30 day notice of vote
  - Excess funds should be distributed within framework of original purpose

FORMING A SUPPORT ORGANIZATION, BYLAWS,  
OFFICERS, ETC.





# ADMINISTRATIVE GUIDELINES RELATIONSHIP WITH SCHOOL BOARD

---

- Parent support organizations must adhere to SCS policies and guidelines as well as federal and state laws
- Only approved organizations allowed to use school name and/or facilities in support of school programs
- Parent support organizations do not have the authority to direct the duties of school employees.
- Parent support organizations do not have the authority to spend money for the school's benefit without the knowledge and approval of the principal or designee.
- The scheduling of contests, rules for participation, and other criteria dealing with school programs are under the jurisdiction of the local school administration.
- School administration should apprise parent support organizations of all school activities related to the purpose of the organization.

## ADMINISTRATIVE GUIDELINES RELATIONSHIP WITH SCHOOL BOARD

---

- The superintendent or board may revoke the organization's authorization to conduct activities in the district.
- The principal has the authority to dissolve the relationship between the school and the parent support organization at any time.
- Specific questions regarding SCS policy or procedure should be addressed to the principal or designee.

# ADMINISTRATIVE GUIDELINES

## LAWS

---

- Parent support organizations must adhere to all federal, state, and local laws as well as state and local administrative policies and procedures.
- Compliance with laws and policies is the responsibility of the organization's officers.
- Regulatory Agencies:
  - Alabama State Department of Education
  - Alabama Ethics Commission – Guidelines for Public Officials and Employees  
<http://ethics.alabama.gov/docs/GuidelinesPublicOfficialsEmployees7-2012.pdf>
  - Alabama Building Commission
  - Scottsboro City Board of Education
  - Internal Revenue Service – IRS Publication 557 Tax Exempt Organizations

# ADMINISTRATIVE GUIDELINES TRAINING

---

All officers of the organization should go through an annual orientation with the superintendent, chief school finance officer, or their designee on the Scottsboro City School System's policies and procedures related to the operations of parent support organizations.

# ADMINISTRATIVE GUIDELINES

## Contracts/Loans

---

- School employees do not have the authority to sign contracts or notes incurring debt of the school or the district. **NO EXCEPTIONS**
- Parent support organizations do not have the authority to:
  - borrow money in the school's or board's name
  - enter into any type of contract on behalf of the board
  - enter into any type of contract related to use of board property or equipment

# ADMINISTRATIVE GUIDELINES

## Fundraising

---

- Fundraising efforts shall comply with federal, state, and district laws and guidelines.
- All fundraisers must be approved by the principal, superintendent, and board of education prior to the start of the event.
- Revenues generated from fundraising activities by tax-exempt organizations should benefit the whole group, *not individuals*.
  - *i.e.* individual fundraiser accounts are not allowable
  - risk loss of tax exempt status
  - Texas school systems have incurred fines up to \$250,000

# ADMINISTRATIVE GUIDELINES

## FUNDRAISING

---

- Fundraiser participation by students is **VOLUNTARY**. Participation cannot be mandated.
- Students cannot be punished, embarrassed, or harassed in any way for not participating in a fundraiser.
- Consideration should be given to student safety when planning a fundraiser.
  - Standing on roadways at stop signs and other traffic signals is a safety hazard and is not permissible.
  - Students should not be involved with door to door solicitation or sales.
- Report of Fundraising Activity (coming soon)

# ADMINISTRATIVE GUIDELINES

## Fundraising & Games of Chance

---

- Athletic camps held as fundraisers on school property are considered **public funds** and should be deposited in the athletic program account.
  - School property
  - Utilities
  - School personnel
- **Games of Chance**
  - Prohibited by Alabama Constitution
  - AG Opinion 89-00168 - Tickets may be sold for a chance to participate in a **game of skill** where the winner of the game is awarded a prize.

(See Appendix E)



# ADMINISTRATIVE GUIDELINES

## Buildings and Other Structures on School Property

---

- Any building or improvement on SCS property must be approved by the Scottsboro City Board of Education.
- A school system employee should be in charge of building projects.
- The project must comply with Alabama Building Commission requirements
- Consideration should be given to the annual operating costs associated with any new structure (utilities, insurance, annual maintenance, etc.).

# ADMINISTRATIVE GUIDELINES



# FINANCIAL PROCEDURES

- Parent support organizations are formed to support the operation of school sponsored extracurricular activities in a variety of ways. These activities/funds must be under the control of the local school and flow through the school's books.
- **Parent support organizations are not allowed to have outside checking or savings accounts.**
- Parent support organization activities are generally considered non-public funds. However, these **organizations will become public** funds if:
  - A school employee serves/holds a leadership position in the organization, or
  - A school employee leads fund raising or maintains the accounting records for the organization.
  - If activities are held on school property or involve students, those activities are public funds regardless of whether the organization is considered non-public.

# FINANCIAL PROCEDURES

---

- Specific **activities** of a parent support organization are automatically considered **public funds** if:
  - The organization collects admission to a school function,
  - The organization operates a concession on school property at a school function,
  - The organization collects parking fees for a school function,
  - The organization operates a training camp that includes students of the activity it supports.
- **SUMMARY:**
  - No outside accounts
  - Activities may be both public and non-public depending on how the funds are raised

# FINANCIAL PROCEDURES - Public vs. Non-Public

---

- Public funds are receipts/revenues generated school wide, money that can be used for all students, and money that is controlled by the principal or a school employee.
  - Examples of public funds include admissions to athletic events, parking at athletic events, and concessions sold at any school sponsored activity or athletic event.
- Non-public funds represent receipts/revenues that are restricted for expenditures subject to the intent and authorization of the organization's sponsors and officers. Money is generated for a particular group, used for that particular group, and controlled by the students and/or a parent organization with elected officers.
- Public funds cannot be transferred to a non-public account; however, non-public funds may be transferred to a public account.

# FINANCIAL PROCEDURES - Public vs. Non-Public

---

- Expenditures of public funds are restricted to the same legal requirements as Board funds.
  - Examples of allowable expenditures from public funds:
    - Professional Development
    - Pregame meals for student athletes and coaches
    - Athletic and band uniforms (when the school retains them at the end of the season)
- Expenditures of non-public funds are restricted to the intent and authorization of the organization's sponsors and officers. The principal does not direct the use of these funds but does have the authority to prohibit inappropriate expenditures.
  - Examples of allowable expenditures from non-public funds:
    - Banquets and awards
    - Championship rings
    - Travel expenses

# FINANCIAL PROCEDURES - Cash and Receipts

---

- Money should be turned in to the office **daily** if total receipts on hand equal or exceed \$250
- Money should be turned in **within one week** even if receipts for all days combined are < \$250
- Organization bylaws may be more restrictive.
- All funds should be turned in prior to holidays and weekends.
- Funds collected at events scheduled on holidays or weekends should be counted (by 2 individuals with a total amount listed) and given to the school administrator on duty at the close of the event.
- Any delays must be explained in writing and signed by both the individual turning in the money and the principal.

# FINANCIAL PROCEDURES - Cash and Receipts

---

- All money collected from students and parents must be receipted on a school issued receipt.
- Individual collections of \$10 or less may be documented on a receipt log.
- All money should be accompanied by a receipt log, activity verification report, ticket reconciliation, or other supporting documentation when turned in.
- Receipts should be filled out completely, in ink.
  - Date collected
  - From whom collected
  - Amount collected
  - Whether cash or check (if check, provide check #)
  - Initials of person receipting the money
  - Receipt number (pre-printed)



# FINANCIAL PROCEDURES - Cash and Receipts

---

- Mark voided checks “Void” and attach to receipt book
- Missing receipts are viewed as missing money – written explanation to principal required (that explanation should be included in the receipt book)
- No white out or correction tape – mark through errors with single line, enter correct information, and initial
- **Never** cash checks out of moneys received

# FINANCIAL PROCEDURES - Purchases

- Purchase orders are required for all purchases.
- Must be signed by officer and principal
- Steps for processing:

---

  - Confirm that vendor will accept PO
  - Complete and sign PO - provide details
  - Submit to principal for signature several days in advance of purchase
  - After signed by principal and provided to bookkeeper for verification of funds, purchase may be made
  - ***Note: sales tax is not permitted***
  - Obtain an itemized invoice when items are purchased
  - Officer of school sponsor should sign invoice indicating all items were received and in good condition
  - Submit to bookkeeper for payment – **items should be in hand before payment is made**
  - Payment should be made on the following check run
  - PO's should be voided after 90 days unless further documentation is noted
  - SCS does **not** allow backorders
  - **No checks** can be made payable to "Cash"
  - All expenditures are to be by check. **Cash payments are not allowed.**

# FINANCIAL PROCEDURES



## ACTIVITIES ON SCHOOL CAMPUS

---

- Occasionally school employees may do extra work for parent support organizations after normal work hours. All payments to school employees must be processed through the Scottsboro City Board of Education's payroll department. A contract for extra work must be completed and submitted to the CSFO for approval. Once approved, the work may begin. Payment will be made on a mid-month payroll and the parent support organization will be invoiced for the gross pay plus employee benefits as required by law.
- Federal guidelines require that a school cafeteria worker be present when the school cafeteria is used for any outside function.
- Activities/programs conducted by parent support organizations off campus should be approved prior to the activity.

# ALABAMA ETHICS LAW

---

- Applies to all public employees
  - Anyone employed by the state, county, or municipal level of government is a public employee.
  - Also covers family members.
- Violations can result in criminal liability
- Not the board's responsibility or the superintendent's to monitor, interpret, or enforce

# ALABAMA ETHICS LAW

---

- The Basics for Public Employees
  - Can't use position for personal gain
  - Can't use public resources for personal use
  - Can't solicit or receive a thing of value because of position
  - Can't accept anything that might influence official actions
- De minimis – having a value of \$25 or less per occasion and an aggregate of \$50 or less in a calendar year from a single provider or as may be prescribed by the Ethics Commission
- Parent support organizations have been identified by the Ethics Commission as a single entity or provider; therefore, these organizations may only give a school employee gifts of de minimis value as defined by law.

# ALABAMA ETHICS LAW



# FAQS

---

1. Can an athletic director, coach, or assistant coach control how funds are used in a non-public account?

*No, funds under the control of a school employee are public funds.*

2. Is it legal for a coach to accept payments from a booster organization or parent to supplement the pay for coaching duties?

*No. Ethics laws prohibit coaches from accepting cash or anything else of value (more than \$25 per occasion/\$50 total per year).*



# FAQS

---

3. Can cash from gate receipts or the change fund be used to pay law enforcement, game officials, or others working the athletic event?

*Absolutely not. All payments are to be made by check. Cash received must be deposited intact (as received) and checks may not be cashed from gate receipts or change funds.*

4. Can school athletic funds (public funds) be used to pay the AHSAA fine for ineligible players?

*Yes.*

# FAQS

---

5. Can we use school athletic funds to pay for championship rings for coaches and students?  
*No. Public funds cannot be used to purchase items for personal use. Awards and recognition in the form of trophies and plaques can be purchased with public funds as these forms of recognition have no significant value to anyone other than the recipient. Letterman jackets, jerseys, championship rings, and similar items may be purchased for students with nonpublic funds, but such purchases for coaches and school employees could be prohibited by state ethics laws.*
6. We've been told that athletic funds (public funds) can be used to purchase pre-game meals for student athletes and coaches. Can public funds be used for post-game meals?  
*Yes. Public funds can be used to purchase meals that are reasonably necessary for the athletic event. Tournaments and games at distant locations could make post-game meals necessary for athletic participants.*

# PARENT SUPPORT ORGANIZATIONS



ANY  
QUESTIONS  
?