

BOOSTER ORGANIZATIONS / PARENT GROUPS

- 1.0 **Scope.** This policy shall apply to all booster clubs, parent groups (including parent-teacher associations), and organizations which intend to provide support to athletics, activities, and other curricular and extra-curricular programs (e.g., band, choir, and theatre groups) offered by District schools. The foregoing groups shall be referred to in this policy as “parent groups.” This policy does not apply to student clubs.
- 2.0 **Organization as District or Independent Parent Group.** The District has determined that staff member time is best utilized in focusing upon core job duties of leading, teaching, and coaching and that staff participation in the internal affairs of parent groups can compromise staff’s ability to perform core duties most efficiently. Accordingly, each building principal shall determine, in his/her discretion, whether a parent group supporting the building’s operations 1) must be organized as nonprofit legal entity independent from the District and maintain its own bank account or other financial account independent from the District (hereafter called “Independent Parent Groups”), or 2) must conduct all activities under the direction of a District staff member and maintain all financial accounts through the District (hereafter called “District Parent Groups”). District staff shall not be responsible for monitoring compliance by Independent Parent Groups with the financial procedures described in this policy or with the group’s compliance with its bylaws, policies, or procedures. Neither District Parent Groups nor Independent Groups shall have input or decision-making authority regarding program operations, scheduling, or student participation. Those remain at the discretion of the coach/sponsor. Parents serving in group leadership roles do not and shall not speak on behalf of the District, school or program.
- 3.0 **Requirements for District Parent Groups.**
 - 3.1 **Name and Logo.** A District Parent Group shall be authorized to use the name and logo of the District or the name of a District school and/or its logo (e.g., Northglenn High School Football Boosters) at the discretion of the building principal only if the group demonstrates compliance with all of the procedures and the provisions of this policy. The District and/or school may rescind the group’s authority to operate as a District Parent Group, including the authority to use the name/logo of the school or District if it is determined that the group has failed to comply with the requirements of this policy, has failed to maintain accurate and up-to-date financial records, or has or is likely to engage in conduct detrimental to the best interests of the school or the District.
 - 3.2 **Nondiscrimination.** The group shall comply with all federal and state laws, including but not limited to prohibitions of discrimination based upon gender, disability, race, color, national origin, and religion.
 - 3.3 **Financial Procedures.**
 - 3.3.1 The group shall develop and utilize cash handling procedures for reimbursements, cash boxes, payments to vendors and fundraising.
 - 3.3.2 The group shall develop a balanced budget for each school and submit the itemized list of anticipated revenues and expenditures to the athletic/activities director by such date identified by the director. The school athletic/activity director must approve all expenditures. If such approval is granted, only the school bookkeeper can place an order or contract for services.

- 3.3.3 District Parent Groups shall not use the District's sales tax exemption number. If a District Parent Group wishes to benefit from the District's sales tax exemption number, the group must follow District procurement procedures and the District will use its sales tax exemption number.

4.0 **Requirements for Independent Parent Groups.**

- 4.1 **Name and Logo.** An Independent Parent Group shall be authorized to use the name and logo of the District or the name of a District school and/or its logo at the discretion of the building principal only if the group demonstrates compliance with all of the procedures and provisions of this policy. The District and/or school may rescind the group's authority to operate as an Independent Parent Group, including the authority to use the name/logo of the school or District if it is determined that the group has failed to comply with the requirements of this policy, has failed to maintain accurate and up-to-date financial records, or has or is likely to engage in conduct detrimental to the best interests of the school or the District.
- 4.2 **Nondiscrimination.** The group shall comply with all federal and state laws, including but not limited to prohibitions of discrimination based upon gender, disability, race, color, national origin, and religion.
- 4.3 **Separate Legal Entity.** Each Independent Parent Group shall provide proof that it is recognized as a not-for-profit by the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code, and by the State of Colorado as a legal entity. Each school year, the group shall submit documentation to the building's athletic/activities director demonstrating that the entity remains in "good standing" with the IRS and the State of Colorado. (Copies of up-to-date information from the Colorado Secretary of State's official website may be submitted to meet this requirement.) The group shall obtain and use its own employer Identification Number (EIN). If an Independent Parent Group desires to make tax-exempt purchases, or to be exempt from state/federal income taxes, it shall complete such steps necessary to qualify for such status.
- 4.4 **Financial Procedures.**
 - 4.4.1 The group shall develop a balanced budget for each school year and submit the itemized list of anticipated revenues and expenditures to the athletic/activities director by such date identified by the director.
 - 4.4.2 The group shall develop and utilize cash handling procedures for reimbursements, cash boxes, payments to vendors and fundraising.
 - 4.4.3 Two signatures shall be required for all checks written upon the group's account, and no school employee or coach shall be an authorized signatory on such account.
 - 4.4.4 All funds received on behalf of the group, whether by cash or by check, shall promptly be deposited only into the group's authorized bank account.
 - 4.4.5 Sales slips, receipts, or invoices shall be maintained for every expenditure for a period of six (6) years plus the current year of operation.
 - 4.4.6 Bank statements shall be reconciled each month by the group's treasurer and shall be reviewed by another group member who does not have check signing authority.
 - 4.4.7 The group shall be solely responsible for compliance with regulations of the Internal Revenue Service, including but not limited to requirements concerning issuance of W-2s and 1099s to employees or contactors utilized by the group.

- 4.4.8 The group shall complete an annual financial review of its financial records and shall submit a copy of the compliance report to the building's athletics/activities director and to the District's Chief Financial Officer on or before August 1 of each year. The financial review may be conducted by an outside accounting firm or in the form of a review conducted by a committee which includes 1) at least one member with an accounting degree or at least two years of experience in accounting for a business or non-profit organization, and 2) does not include any individual with signature authority on the group's checking account.
 - 4.4.9 The group shall submit its financial records to the District's Chief Financial Officer at the end of each semester. The group may be required to pay the District an audit fee if the District reasonably chooses to perform its own audit based on submitted financial records.
 - 4.4.10 The group shall develop procedures for the procurement of goods/services designed to avoid conflicts of interest or the appearance of impropriety and to demonstrate that quality goods/services have been procured at a competitive price.
 - 4.4.11 The group shall be solely liable for any injury or claim arising out of the group's activities, and shall indemnify and hold harmless the District, the school, and their employees, agents and authorized volunteers from and against any claim, cost or expense, including attorney fees, arising from the group's activities. The group may procure insurance against such liabilities as it deems appropriate.
 - 4.4.12 The building activities/athletic director, the District's Chief Financial Officer, the District athletic/activities director and their designees shall be permitted to review the financial records of a parent group at any time, including but not limited to its monthly bank statements and receipts for expenditures. The same right of access shall apply to any parent or student who is a member of the group or who has participated in a fundraising activity of the group.
 - 4.4.13 The group shall maintain comprehensive general liability insurance in the amount of \$1.0 million with the District named as an additional insured. At the beginning of each school year, proof of such coverage shall be provided to the District's Chief Financial Officer.
- 5.0 **Requirements for both District Parent Groups and Independent Parent Groups.**
- 5.1 **CHSAA Compliance.** All members of the group shall become knowledgeable about and comply with all rules and regulations adopted by the Colorado High School Activities Association (CHSAA) to the extent these rules/regulations apply to the specific group.
 - 5.2 **Rescission of Authority.** The District or school may rescind a group's authority to use the name/logo of the school or the district if it is determined that the group has failed to comply with the requirements of this policy, has failed to maintain accurate and up-to-date financial records, or has or is likely to engage in conduct detrimental to the best interests of the school or the District.
 - 5.3 **Annual Review.** A parent group representative shall meet with the building athletic/activities director annually to review the terms of this policy. Checklists documenting this review are attached to this policy as Exhibit 1 for district parent groups and as Exhibit 2 for independent parent groups.

- 5.4 **Voluntary Participation.** A student and his/her parents may elect to participate in a group and its fundraising activities in their discretion, and such participation/nonparticipation shall not be taken into account in determining the student's qualification for or level of participation in the sport/activity. This provision shall not preclude requirements that students provide a designated amount of money as a condition for participation in an extracurricular activity (e.g., \$2,000 payment to travel to international band competition), and shall not preclude a group from denying financial assistance to students who have failed to meet designated fundraising levels.
- 5.5 A group shall operate according to its own bylaws, elect officers, and report to its members on a regular basis.
- 6.0 **Staff Ethics/Conflicts.** District employees, coaches, and program sponsors shall be subject to District Policy 4130, Staff Ethics/Conflicts of Interest/Nepotism, in their relationships with these parent groups, including but not limited to services performed for the benefit of the group outside of the school year (e.g., summer camps) and shall not establish a separate legal entity or a separate bank account for purposes of depositing revenues received for the benefit of parent or student groups.

CROSS REFERENCES:

Code: 1300

Code: 4130

Code: 5640

CHECK LIST for DISTRICT PARENT GROUP

Group Name

School

School Year

Group Chairperson/President

1. The group has received a copy of District Policy 1400 concerning Booster Organizations / Parent Groups and agrees to comply with all of its terms.
2. The group has submitted an itemized list of anticipated revenues and expenditures for the current school year.
3. Concerns/Issues: _____

Date

Name
Athletics/Activities Director

Date

Name/Position
Authorized Parent Group Representative

Date

Principal

CHECK LIST for INDEPENDENT PARENT GROUP

Group Name

School

School Year

Group Chairperson/President

1. The group has received a copy of District Policy 1400 concerning Booster Organizations / Parent Groups and agrees to comply with all of its terms.
2. The group has submitted an itemized list of anticipated revenues and expenditures for the current school year.
3. The group has provided documentation that it has been established as an independent legal entity in Colorado and with the IRS and that it is in good standing.
4. The group has submitted an audit of its financial activities for the preceding school year.
5. The group has submitted its financial records at the end of each semester.
6. The group has submitted proof of comprehensive general liability insurance in the amount of \$1.0 million with the District named as an additional insured.
7. Concerns/Issues:

Date

Name
Athletics/Activities Director

Date

Name/Position
Authorized Parent Group Representative

Date

Principal