

**Regulation 1230: School-Connected Organizations**

**Status:** ADOPTED

**Original Adopted Date:** 01/17/2017

Requests for authorization as a school-connected organization shall contain:

1. The name of the organization.
2. The date of application.
3. By-laws, rules, and procedures under which the organization will operate, including procedures for maintaining the organization's finances, membership qualifications, if any, and an agreement that the group will not engage in unlawful discrimination.
4. The names, addresses, and phone numbers of all officers.
5. A list of specific objectives.
6. An agreement to grant the district the right to audit the group's financial records, either by district personnel or a certified public accountant, whenever any concern is raised regarding the use of the funds.
7. The name of the bank where the group's account will be located and the names of those authorized to withdraw funds.
8. The signature of the principal of the supporting school.
9. Planned use for any money remaining at the end of the year if the organization is not continued or authorized to continue in the future.
10. An agreement to provide evidence of liability insurance as required by law.

Authorizations may be automatically renewed each year upon the district receiving updated information related to a contact person and evidence of continuing liability insurance. The Superintendent may recommend that authorizations be revoked by the Board of Education if such action were considered necessary. School-connected organizations are prohibited from hiring or directly paying district employees.

Any program, fundraiser or other activity sponsored by parent/guardian clubs shall be authorized and conducted according to Board Policy, administrative regulations, and school rules.

Announcements of events and related parent/guardian permission slips shall clearly indicate that the activity or event is sponsored by the parent/guardian organization, not by the school or district.

Parent/guardian organizations shall file appropriate Civic Center permits with the Business Office when requesting use of school facilities for meetings or activities.

Any donations made to schools or the district shall be processed according to the normal procedures for such donations, and become property of the Covina-Valley Unified School district.

Each school-connected organization shall abide by the following rules:

1. The organization shall not act as an agent of the district or school.
2. The organization shall not use the district's tax-exempt status and identification number. It shall be responsible for its own tax status, accounting, internal controls, financial reporting, retention of records, and other operations.
3. The organization shall use a separate name and logo. Any use of a name or logo affiliated with the district, a district school, or a school team shall require the prior consent of the Superintendent or designee.
4. Funds of the school-connected organization shall not be co-mingled with district funds, including associated student body funds.
5. The organization shall not hire or directly pay any district employee. If a school-connected organization wishes to pay for additional and/or extracurricular services, the person to provide the services shall be hired through the district's personnel department, provided the Board approves the position. At their discretion, employees may

volunteer to perform activities for school-connected organizations during nonworking hours.

### Booster Clubs and Parent Organizations

Booster and parent organizations are separate from school districts with which they are associated and are not governed by the Education Code. However, booster and parent organizations do not have free access to schools and their students. The school district Board of Education and administration have, and must maintain, exclusive control and management of its public school system. Education Code Section 51520 and 51521 require that any school-connected organization and/or activity be one that is authorized by law and permitted by board policy.

In addition, Education Code Section 51520 prohibits the solicitation of pupils by outside organizations on school property during school hours. Solicitation is defined as "to subscribe or contribute to the funds of, to become members of, or to work for any organization not directly under the control of the school authorities." A clear separation of responsibilities between the ASB and the various booster and parent organizations should be maintained.

Booster/parent organizations should serve as auxiliaries to the school program and should conduct activities and fundraising events involving the primary participation of parents and other adult community members. Funds raised by booster/parent organizations are to be used to support programs; however, no student will be required to raise funds in order to participate in school programs and events. Booster/parent funds so raised should then be donated to the district for specific purposes, such as the purchase of specific items of equipment or to provide financial assistance to students with need in relation to uniforms or tours. This is the preferred method. However, if particular items are purchased by the booster/parent organization, these items must then be donated to the school for use by the designated group in accordance with district policies and procedures.

Booster/parent funds will not be co-mingled with the student body funds. The school district's tax exempt status and identification numbers are not for booster/parent organization use.

Booster/parent organizations are responsible for their own tax status and accounting. All booster/parent organization tax identification numbers must be on file with the Covina-Valley Unified School District Business Office.

### Membership

1. Parents, community members, and staff may be members of any booster club or parent organization.
2. The principal or designee shall maintain on-going communication with the organization.
3. Membership fees may be used for raising funds for specific projects for the schools but school fees may not be a requirement of parents or students to participate in school activities.

### Liability

The district requires booster and parent organizations to provide proof of liability insurance in the minimum amount of \$1,000,000 combined single limit with the district named as an additional insured endorsement. When using school facilities, the district may, at its discretion, require a higher level of coverage based on the type of use requested, such as athletic activities and large events.

### Obtaining Tax Exempt Status

Booster and parent organizations are not legal components of a school district. Each organization must have its own tax identification number, own bank account, and is directly responsible for compliance with IRS and state reporting and disclosure requirements. Organizations that provide receipts to donors as a "charitable tax deductible donation" must be officially approved by IRS as a 501(c)(3) tax-exempt organizations. It is the organization's responsibility to be both knowledgeable and compliant with all state and federal laws.

Booster and parent groups are encouraged to contact the Internal Revenue Service and the Franchise Tax Board in order to obtain a tax-exempt status for their organization.

State and Federal forms and further information can be found at the following Web sites:

### Tax Identification Number

Form SS-4, "Application for Employer Identification Number"

Instructions: <http://www.irs.gov/pub/irs-bdf/iss44.pdf>

Fill-in form: <http://www.irs.gov/pub/irs-fill/fss4.pdf>

Non-Profit Status

Publication 557, "Tax-Exempt Status for Your Organization"

<http://www.irs.gov/pub/irs-pdf/p557.pdf>

Package 1023, "Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code" Includes fill-in form 1023, instructions for form 1023, and form

872-C: <http://www.irs.gov/pub/irs-fill/k1023.pdf>

Form 8718, "User Fee For Exempt Organization"

<http://www.irs.gov/pub/irs-fill/f8718.pdf>

California Forms and Instructions Form 3500 Booklet, "Exemption Application Booklet"

Includes instructions and two copies of form 3500.

[http://www.ftb.ca.gov/forms/02\\_forms/02\\_3500Bk.pdf](http://www.ftb.ca.gov/forms/02_forms/02_3500Bk.pdf)

Consult Tax Tips Pamphlet No. 18, "Sales and Use Tax Guide for Volunteer and

Nonprofit Fundraising Organizations" to determine what may and may not be taxable.

<http://www.boe.ca.gov/pdf/pub18.pdf>

COVINA-VALLEY UNIFIED SCHOOL DISTRICT

Parent Organization/Booster Club Application

New

Renewal

The parents of \_\_\_\_\_ hereby request the formation/renewal of an approved parent group.

Name of Organization \_\_\_\_\_

Tax Identification Number \_\_\_\_\_

The objectives/purposes of the group are:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

We, the parents of \_\_\_\_\_ have read Guidelines for Parent/Booster Club Organizations and agree to abide by them.

We will submit two copies, together with items listed on the attached checklist to the Principal/Designee who will obtain approval from the District.

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Signature of Parent Representative Date

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Approved by: Signature of Principal Date

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School

Approval by Board of Education Meeting Date: \_\_\_\_\_

(New organizations only)

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Signature of Superintendent/Designee Date

COVINA-VALLEY UNIFIED SCHOOL DISTRICT

Parent Organization/Booster Club Approval Checklist

Completed Application/Renewal form

Constitution and Bylaws

Names, address, and phone numbers of all officers

A brief description of the organization's purpose including a list of specific annual objectives

List of fundraising activities for the year

Name of the bank and names of those authorized to withdraw funds

Evidence of liability insurance

Signature of school principal

Tax identification number

Evidence of tax-exempt status - IRS Section 501(c)(3)

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