



# Booster Clubs and Parent Organizations Workshop

**Covina Valley USD**

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**Presented By:  
Michael Ammermon & Jeff Potter  
FCMAT Intervention Specialists**

# Booster Clubs and Parent Organizations

- Booster clubs and parent organizations are formed by parents, community members, and staff members to support school activities (e.g. music groups, athletic teams, debate teams).
- Booster clubs and parent organizations must have their own separate Employer Identification Number (EIN).
- The primary role of a booster club or parent organization is to enrich students' participation in extracurricular school activities.
- Parent organizations and booster clubs are often referred to as “school-connected organizations.”

# District Relationship

- Booster clubs and parent organizations:
  - Are legally separate from the district
  - Are not under the legal control of the district superintendent, board of education, site administrators, other district staff or students
  - Must remain completely separate from district's Associated Student Body (ASB) organizations
  - Must not administer or supervise ASB organizations
  - Must never commingle funds with ASB or district funds
  - Cannot keep funds in ASB or school safe

# District Has Responsibility for Booster Clubs and Parent Organizations

If booster clubs and parent organizations operate separately from the district and are not controlled by district officials or students, why should the district care about their operations?

# Education Code Defines District Responsibility

Education Code Section 51521 states:

“No person shall solicit any other person to contribute to any fund or to purchase any item of personal property, upon the representation that the money received is to be used wholly or in part for the benefit of any public school or the student body of any public school, ***unless such person obtains the prior written approval of either the governing board of the school district in which such solicitation is to be made or the governing board of the school district having jurisdiction over the school or student body represented to be benefited by such solicitation, or the designee of either of such boards.***”

# District Policy

- Education Code Section 51521 means that a school-connected organization may not legally operate unless and until it obtains the prior written approval of the district's governing board or its designee.
- The district governing board should adopt board policies and administrative regulations that booster clubs and parent organizations must follow to operate as a school-connected organization.

# District Policy, cont.

**XYZ Unified School District Board Policy 1240** states:

“The Board recognizes that school-booster organizations are separate legal entities, independent of the district. However, to help the Board fulfill its legal and fiduciary responsibility to manage district operations and in accordance with Education Code 51521, any group wishing to operate a school-booster organization that will conduct fundraising activities to benefit a school or its students shall submit a written application to the site administration, who shall approve or deny the application.”

# District Policy, cont.

## **XYZ Unified School District Board Policy 1240 - *continued*:**

“Any fundraising activities initiated by an approved school-booster organization shall be submitted to school administration for approval prior to the fundraising activity. In addition, the Superintendent or designee shall establish appropriate procedures, guidelines and internal controls for the operation of school-booster organizations and the relationship between school-booster organizations and the district.”  
*(emphasis added)*



# District Policy, cont.

## So what is fiduciary responsibility?

Fiduciary responsibility, more commonly referred to as a fiduciary duty, is the legal duty to act solely in another party's interests. This legal duty includes the duty to act with care, competence, and diligence. A fiduciary duty is the strictest duty of care recognized by the US legal system.

# Operating in the District

- Booster clubs and parent organizations must be authorized to operate within the district through an application process.
- All booster clubs and parent organizations are subject to revocation by the superintendent or designee if deemed necessary.
- To operate in the district, each booster club or parent organization should:
  - Provide evidence of California state and federal 501(c)(3) tax-exempt status (IRS Determination Letter and while waiting for the IRS letter, Form 1023 should be presented)
  - Provide proof that each parent organization or booster club has its own EIN. (Form SS-4)

# Operating in the District, cont.

- Submit a signed Booster Club Manual Acknowledgement form.
- Submit the district's signed Hold Harmless Agreement.
- Submit a copy of the booster club/parent organization's constitution, or bylaws.
- Submit complete, up-to-date financial statements (Balance Sheet and Income Statement) to the school site principal or designee twice each year.

# Operating in the District, cont.

- Ensure that the school-connected organization's officers attend a district-provided Annual Booster Club Workshop.
- Not imply any form of responsibility for or sponsorship of its fundraising events by the district, school site or ASB unless authorized by the district, school principal or principal's designee.

# Operating in the District, cont.

- Be responsible for maintaining its own tax-exempt status, accounting, financial records and income tax reporting to both the federal and state government.
- Never be allowed to use the district's EIN.
- Not use the ASB or district funds as a pass-through account.
- Maintain a Seller's Permit if selling merchandise or goods, because booster clubs and parent organizations are not sales tax exempt.
  - California Department of Tax and Fee Administration
  - <http://www.cdtfa.ca.gov>

# Operating in the District, cont.

- Annually submit a Certificate of Liability from its insurance company to the principal or designee and carry liability insurance in an amount equal to or exceeding the minimum coverage amounts determined by the district.
- Annually submit a member roster of names and a contact list of officers to the principal or designee complete with addresses, phone numbers and email addresses.

# Operating in the District, cont.

- Have its own bank account in the name of the organization separate from the district and/or ASB.
  - A copy of the bank account statement and list of authorized signers must be annually submitted to the principal or designee.

# Operating in the District, cont.

- Not allow any individual to personally benefit from the booster club or parent organization's activities.
- Upon termination, provide through the school-connected organization's constitution for the distribution of any excess funds and assets to another nonprofit organization; e.g., the booster club's or parent organization's school site, the ASB or the district.



# Operating in the District, cont.

- The booster club or parent organization must submit a proposed budget and list of proposed fundraising activities to the school site principal or designee at the beginning of each school year for a determination to be made that there are no fundraising conflicts with other school activities, including ASB.
- Booster clubs' or parent organizations' ability to use school district facilities is regulated by California Education Code 38130-38139, otherwise known as the Civic Center Act.
- All fundraising activities at any district school site, including booster club and parent organizations, must be approved in advance per the district's Facility Use Policy.

# Operating in the District, cont.

- Students may volunteer for or assist booster clubs or parent organizations when it does not interfere with students' other school site obligations.
- A booster club or parent organization may never discriminate against students on the basis of a family's membership in, contributions to, or fundraising for the booster club or parent organization, or the family's time spent on booster club or parent organization activities.

# Operating in the District, cont.

- When a booster club or parent organization donates or raises funds for a school site, ASB or the district, it should state the specific purpose for which the funds are being donated on all applicable literature.
- Once funds are donated and accepted by the district, the funds are the property of the district and may not be returned to the parent organization or booster club.

# Operating in the District, cont.

- If a booster club or parent organization wants to operate bingo or raffle fundraising events, the organization must understand that these events are strictly regulated by California Penal Code Sections 326.5 and 320.5, and by county and city ordinances.
- Operation of bingo games, raffles, or poker night fundraisers without legal authorization to do so is considered gambling under California law and can be charged as a crime by the District Attorney.

# Operating in the District, cont.

## **DON'T FORGET:**

Just because something is for a good cause does not mean it is allowable or an illegal activity is acceptable.

# Games & Gambling



California Penal Code Section 330 provides that:


*“Every person who deals, plays, or carries on, opens, or causes to be opened, or who conducts, either as owner or employee, whether for hire or not, any game of faro, monte, roulette, lansquenet, rouge et noire, rondo, tan, fan-tan, seven-and-a-half, twenty-one, hokey-pokey, or any banking or percentage game played with cards, dice, or any device, for money, checks, credit, or other representative value, and every person who plays or bets at or against any of those prohibited games, is guilty of a misdemeanor, and shall be punishable by a fine not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000), or by imprisonment in the county jail not exceeding six months, or by both the fine and imprisonment.”*

# Games & Gambling, cont.

- Nonprofits may register with the Attorney General for promoting nonprofit organization gambling under the fundraiser registration program at <https://oag.ca.gov/gambling/charitable>.
- The OAG website states, “The State of California’s Business and Professions Code Sections 19985-19987 allow for eligible nonprofit organizations to hold “charity poker night” fundraisers. Qualified nonprofit organizations and suppliers of equipment and/or services for such fundraising events must submit an Annual Registration Form to the Bureau of Gambling Control for prior approval.”

# Raffles




STATE OF CALIFORNIA CT-NRP-1 (Rev. 08/2017)		DEPARTMENT OF JUSTICE PAGE 1 of 1	
<b>APPLICATION FOR REGISTRATION          NONPROFIT RAFFLE PROGRAM</b> (California Penal Code section 320.5)			
		The registration period is September 1 to August 31. After August 31, a new registration is required.  A CHECK IN THE AMOUNT OF \$20 MADE PAYABLE TO DEPARTMENT OF JUSTICE MUST ACCOMPANY THIS REGISTRATION FORM	
		MAIL TO: Office of the Attorney General Registry of Charitable Trusts P.O. Box 903447 Sacramento, CA 94203-4470  STREET ADDRESS: 1200 I Street Sacramento, CA 95814 (916) 210-6400  WEBSITE ADDRESS: <a href="http://www.sos.ca.gov/charities">www.sos.ca.gov/charities</a>	
(Proof of California Franchise Tax Board exempt status must be attached to this registration application. This application will otherwise be deemed delinquent and returned to the organization.)		(For Registry Use Only)	
Name of Organization _____ Address of Organization _____ City or Town, State and ZIP Code _____ E-mail Address _____ Telephone Number _____ Fax Number _____		Raffle Registration Number: _____ Provide at least one of the following: Federal Employer Identification Number (FEIN): _____ Corporate Number: _____ Organization Number: _____ State Charity Registration Number: _____	
Specify the organization's tax - exempt status pursuant to California Revenue and Taxation Code section:			
<input type="checkbox"/> 23701a Labor, agricultural, or horticultural organizations		<input type="checkbox"/> 23701g Nonprofit pleasure and recreation clubs	
<input type="checkbox"/> 23701b Fraternal beneficiary societies, orders or associations		<input type="checkbox"/> 23701k Religious or apostolic corporations having common or	
<input type="checkbox"/> 23701d Religious, charitable, scientific, testing for public safety, literary, educational, amateur sports or prevention of cruelty to children or animals organization		<input type="checkbox"/> 23701l Domestic fraternal societies, orders or associations	
<input type="checkbox"/> 23701e Business leagues, chambers of commerce, real estate boards, and boards of trade		<input type="checkbox"/> 23701t Homeowners and associations	
<input type="checkbox"/> 23701f Civic leagues, social welfare organizations and local employee organizations		<input type="checkbox"/> 23701w Veterans organizations	
Proposed date(s) of raffle(s) (REQUIRED) (month/day/year) _____			
By signing this application for registration, I hereby certify all of the following: 1. <input type="checkbox"/> Applicant is a private, nonprofit organization, 2. <input type="checkbox"/> Applicant has been qualified to conduct business in the State of California for at least one year prior to the raffle first held and 3. <input type="checkbox"/> all information provided on this application is true and correct.			
Signature of Authorized Officer or Director Who Prepared This Form _____		Date _____	
Printed Name of Authorized Officer or Director _____		Title of Authorized Officer or Director _____	

- Always file this form annually if you are going to have a raffle.
- \$20 fee.
- Complete by September 1.
- Registration period is September 1 to August 31.



# Raffles, cont.

XAVIER BECERRA  
Attorney General



State of California  
California Department of Justice

### RAFFLE REGISTRATION CHECKLIST

California law allows eligible tax-exempt nonprofit organizations to conduct fundraising raffles. Organizations must obtain a raffle permit number from the Attorney General's Registry of Charitable Trusts before holding the event. Use this checklist to guide you through the process.

- Determine if organization is eligible to hold a charitable raffle.  
An "eligible" organization is defined by Penal Code section 320.5(c) as "a private, nonprofit organization that has been qualified to conduct business in California for at least one year prior to conducting a raffle and is exempt from taxation pursuant to Sections 23701a, 23701b, 23701d, 23701e, 23701f, 23701g, 23701h, 23701i, 23701j, or 23701w of the California Revenue and Taxation Code." Please note that eligibility to conduct a raffle is based on an organization's tax-exempt status under California law.
- Prepare the Application for Registration (CT-NRP-1) by completing all fields. Incomplete applications will not be processed.
- Submit (1) Application, (2) Franchise Tax Board "entity status letter" and (3) \$20 registration fee payable to Department of Justice.  
Mail to: Department of Justice, Office of the Attorney General  
Registry of Charitable Trusts  
P.O. Box 903447  
Sacramento, CA 94203-4470
  - PLEASE NOTE: Due to Registry backlogs, applications should be submitted at least 60 days prior to scheduling the first raffle.
- Obtain confirmation of registration. Upon approval, the Registry of Charitable Trusts will send a letter confirming registration that includes a raffle permit number and expiration date.
- Prepare and submit a Nonprofit Raffle Report (Form CT-NRP-2) after all raffle events for the registration year have taken place (September 1 – August 31). PLEASE NOTE: Due to amendments to the Nonprofit Raffle regulations, all raffles held in the registration year must be reported on a single Form CT-NRP-2. The report must be filed no later than October 1st of the following registration year.

The Nonprofit Raffle Program is governed by Penal Code section 320.5 and Title 11, section 410 et seq. of California Code of Regulations. Forms, Regulations and Frequently Asked Questions on charitable raffles are available for review and download on the Attorney General's website: <http://oag.ca.gov/charities>.

Registry of Charitable Trusts 2013


- Must be a nonprofit
- One year qualified
- FTB entity status letter
- 90% of profits per raffle must be distributed to a beneficial or charitable purpose (This is why 50/50 raffles are illegal)
- Detached tickets must have #'s
- Only adults supervise drawing
- Cannot be conducted over the internet
- And More, so read the rules

# Raffles, cont.

STATE OF CALIFORNIA  
CT-ARRR-2  
(Rev. 05/2017)

DEPARTMENT OF JUSTICE  
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## NONPROFIT RAFFLE REPORT



A report must be completed for each year in which a raffle was conducted (September 1 through August 31).

Reports are due on or before October 1. (California Penal Code section 320.5)

MAIL TO:  
Office of the Attorney General  
Registry of Charitable Trusts  
P.O. Box 903447  
Sacramento, CA 94202-4470

STREET ADDRESS:  
1300 I Street  
Sacramento, CA 95814  
(916) 213-6400

WEBSITE ADDRESS:  
[www.sos.ca.gov/charities](http://www.sos.ca.gov/charities)

### Part A: General Organization Reporting Information

<p>Name of Organization: _____</p> <p>Address of Organization: _____</p> <p>City or Town, State and ZIP Code: _____</p> <p>E-mail Address: _____</p> <p>Telephone Number: _____</p> <p>Fax Number: _____</p>	<p>Provide at least one of the following:</p> <p>Raffle Registration Number: _____</p> <p>Federal Employee Identification Number (FEIN): _____</p> <p>Corporate Number: _____</p> <p>Organization Number: _____</p> <p>State Charity Registration Number: _____</p>
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### Part B: Raffle Information

1. Raffle year ending August 31, \_\_\_\_\_ (Year)
2. Aggregate gross receipts from the operation of raffle(s): \$ \_\_\_\_\_
3. Aggregate direct costs incurred by the organization from the operation of raffle(s): \$ \_\_\_\_\_
4. Were funds from sources other than ticket sales used to pay for administration or other costs of conducting the raffle(s)? ☐ Yes ☐ No
 

If yes,

4(A) Total funds from sources other than ticket sales used for the administration or other costs of conducting the raffle(s)? \_\_\_\_\_

4(B) What was the source of these funds? \_\_\_\_\_
5. Describe the charitable or beneficial purpose for which the raffle proceeds were used. \_\_\_\_\_
6. Were some or all of the raffle proceeds used for the benefit of another eligible organization? ☐ Yes ☐ No
 

6(A) If the answer to 6 above is yes, provide the following information for each organization for which the proceeds were used. Attach additional sheets of paper, if necessary.

- Two page report
- Report each year there is a raffle
- NEW: Report aggregate for all raffles, not each. Penal Code 320.5
- Due October 1

# Bingo



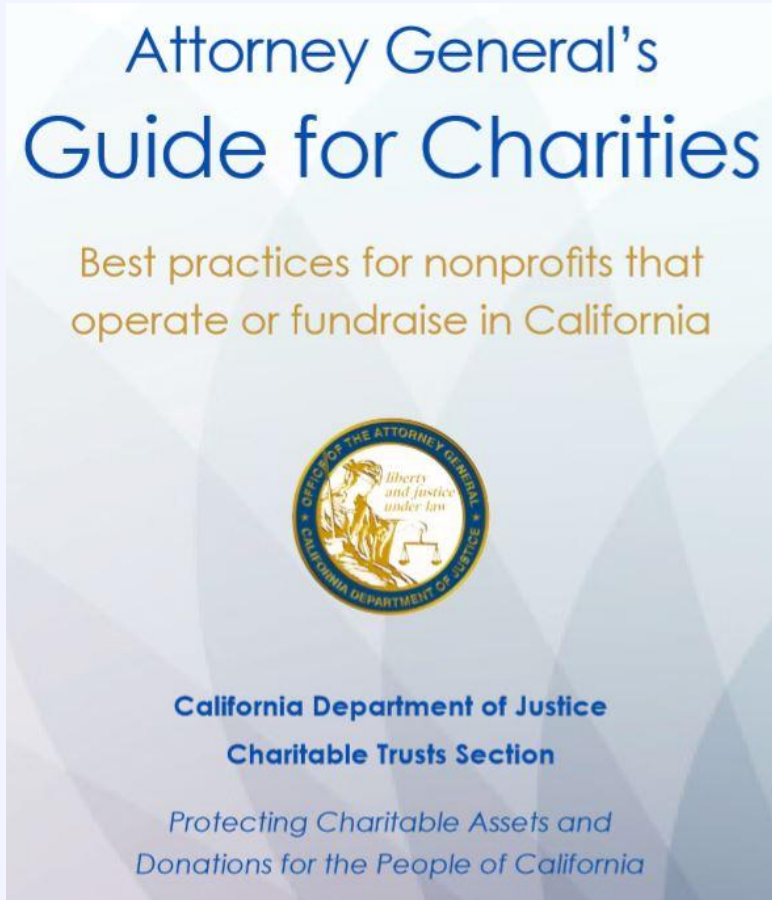
- California law and city and county ordinances provide that it is a ***criminal misdemeanor*** to violate bingo ordinances, or to pay or receive a profit, wage, or salary from any bingo game.
- City ordinances, rules, and forms apply. Check your city bingo ordinance.

# Bingo, cont.

**Operation of Bingo generally requires:** (Research your specific city and county requirements)

- Only operated by a California tax-exempt nonprofit organization (Proof = FTB Tax Exempt Determination Notice/Letter)
- Completion of the licensing application and receipt of a valid license from the city, and where applicable the county, prior to conducting any games
- Minors are prohibited from any participation in any bingo game
- Total value of prizes awarded cannot exceed \$250 in cash or kind, for each game held

# Forming a Nonprofit - Booster Club or Parent Organization



- Great Resource

[https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/publications/guide\\_for\\_charities.pdf](https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/publications/guide_for_charities.pdf)

# Checklist: Forming a Booster Club or Parent Organization – The Basics

## STEP ONE

- Determine the name of the booster club or parent organization.
- Elect booster club or parent organization officers.

# Checklist: Forming a Booster Club or Parent Organization – The Basics, cont.

## STEP TWO

- Prepare a constitution and bylaws.

## STEP THREE

- Prepare and file Articles of Incorporation.
- File a Statement of Information with the California Secretary of State.

# Checklist: Forming a Booster Club or Parent Organization – The Basics, cont.

## STEP THREE, cont.

- Obtain an Employer Identification Number (EIN).  
<https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>
- Apply for federal tax exemption with the Internal Revenue Service (IRS).  
**Form 1023** <https://www.irs.gov/pub/irs-pdf/f1023.pdf>
- Apply for California tax exemption with the California Franchise Tax Board (FTB). **Form 3500 or 3500A** <https://www.ftb.ca.gov/forms/misc/3500.pdf>



# Checklist: Forming a Booster Club or Parent Organization – The Basics, cont.

## STEP THREE, cont.

REMEMBER - Parent organizations and booster clubs need both federal and state tax exemptions to conduct certain fundraisers (e.g., raffles).

- File the initial registration form with the California Attorney General's Registry of Charitable Trusts. <https://oag.ca.gov/charities>

# Checklist: Forming a Booster Club or Parent Organization – The Basics, cont.

## STEP FOUR

- Obtain district site principal or designee approval.

# Naming Your Booster Club or Parent Organization

- A booster club or parent organization's name may not imply any form of responsibility of the district, school site, or ASB.
- It is recommended not to use the name of the school or school mascot in the name of the booster club or parent organization but if used, must add "Booster" to the name.
- Must not use the school or district address on its letterhead or any correspondence.
- Should create a unique logo/mascot, separate and distinct from the school site logo or the district logo.

# Membership in Booster Clubs or Parent Organizations

- Membership is limited to parents, community members, and school staff. Students may not be members but may volunteer.
- Membership fees may not be required for membership in the parent organization or booster club.

# Membership in Booster Clubs or Parent Organizations, cont.

- **Fees must never be required from students or from parents of students for the student to participate in school activities.**
- A booster club or parent organization may not unlawfully discriminate against any parents, community members, or staff who wish to participate in the booster club or parent organization's activities.

# Protect Against Conflict of Interest Allegations

- District school staff members CANNOT sign booster club or parent organization checks or invoices for clubs located at the site at which they work.
- Any district employee, coach, or teacher whose own children may benefit from the operations of a booster club or parent organization may not serve as an officer in that booster club or parent organization.

# Electing Officers - Tips & Pointers, Best Practices

- All booster club or parent organization officers should be elected annually.
- All booster club or parent organization officers must provide complete contact information to the school principal or designee.
- The school principal or designee must be notified in writing of any change in booster club or parent organization officers.

# Electing Officers - Tips & Pointers, Best Practices, cont.

- All members of a booster club or parent organization's executive board are legally obligated to be prudent and reasonable in conducting themselves to preserve parent organization or booster club funds and legally protect the organization.
- All booster club or parent organization executive board members must actively participate in the management of the parent organization or booster club including attending meetings, evaluating financial reports, and reading minutes.



# Electing Officers - Tips & Pointers, Best Practices, cont.

- Compensation:
  - No member, management, executive, governing board member, committee member, etc. should be compensated to participate in the booster club or parent organization.

# Electing Officers - Tips & Pointers, Best Practices, cont.

- District employees may not serve on the executive board for any booster or parent organization located at the site at which they work. This includes holding any booster club or parent organization board or officer positions such as:
  - Treasurer
  - Bookkeeper
  - Fundraising chairperson
  - Check signer
  - Person designated to collect any fees, donations, checks, or cash

# Governance – Committees

## Audit Committee

- Annual internal reviews or independent external audits of the booster club's or parent organization's financial records must be conducted.
- The annual review should be performed by at least two individuals who are independent from the booster club's or parent organization's day-to-day financial activities. If two independent individuals are not available, the treasurer may conduct the review with one other independent individual. All review reports should be signed by those conducting the review and the organization president.

# Governance – Committees, cont.

## Audit Committee, cont.

- An annual external audit conducted by a certified public accountant is highly recommended.
- All financial discrepancies discovered during the review or audit must be brought to the booster club or parent organization president's attention. A plan for resolving all review or audit exceptions and financial discrepancies must be proposed to the booster club or parent organization's governing board immediately.

# Governance – Committees, cont.

## Audit Committee, cont.

- The organization must make all booster club or parent organization financial records available upon request of the audit committee, any organization board members or the school site principal or designee.

# Payments to District Employees

- Booster clubs and parent organizations MAY NOT make direct payments to any district employee for services performed for the booster club or parent organization.
  - This prohibition includes payments in the form of gift cards.
- If a booster club or parent organization wishes to compensate a district employee (e.g., a coach for services provided at a summer camp), the booster club or parent organization must consult with the school site principal or designee for the appropriate steps to do so through the district payroll.

# Internal Controls

Booster clubs and parent organizations need internal controls just as do ASBs, school districts and any other well-managed business.

Because booster clubs and parent organizations tend to experience a higher turnover of management and business staff, consistently following good business practices and internal controls can be challenging.

Such turnover, the collection of a lot of cash, and many other reasons are also why booster clubs and parent organizations are often thought of as good targets for financial fraud.

# What are Internal Controls?

- Policies and procedures designed to provide the governing board and management with reasonable assurance that the district, including ASB, achieves its objectives and goals. They include:
  - Segregation of duties
  - Limiting access to assets
  - Management review and approval
  - Reconciliations
  - Maintaining established policies, procedures and standards of conduct
  - Ensuring appropriate management tone
    - “Tone at the top”
  - Ensuring efficient and effective accounting and business practices, policies and procedures



# Internal Controls Resource

To further assist in establishing and maintaining proper internal controls, accounting policies and procedures, and other forms of best practices, we strongly recommend a free PDF copy of the Fiscal Crisis and Management Assistance Team (FCMAT) *Associated Student Body Accounting Manual, Fraud Prevention Guide and Desk Reference* at [www.FCMAT.org](http://www.FCMAT.org).

The FCMAT manual contains many useful checklists, forms, policies and procedures, and other information that you may find very applicable, adaptable, and useful for the successful operation of your booster club or parent organization.

# Examples of Internal Controls

- Complete purchase order/requisition prior to purchase
- Never pay expenses out of cash receipts
  - Deposit cash and then write a check
- Keep the checkbook and extra check stock in a safe, secure place
- Void checks that are incorrect or not issued
- Never sign checks in advance -- have at least one backup signer (but can be more)
- Use checks in proper sequence
- Never make check out to “cash”
- Ensure checks have two signatures

# Examples of Internal Controls, cont.

- Receive the service/product/goods before making payment
  - Original documents/receipts exist and proper authorization obtained
- Maintain a record of each meeting and the action(s) taken in them
- Reconcile bank statements within two weeks of receipt, with proper review and approval afterward
- Always use cash controls
  - Pre-numbered receipt books or tickets
  - Adequately control where cash controls are stored
- Ensure financial statements are submitted and complete
- Maintain effective filing systems and records management
- Verify that proper signatures exist on all cash collection forms

# Examples of Internal Controls, cont.

- Dual cash counts
  - Always count funds with a witness/countersign deposit forms
  - **Use tamper-proof sealed plastic bank bags at all levels of custody**
- Endorse all checks – “For Deposit Only ...”
- Do not leave funds unattended on a desk
  - If the person who normally receives cash is unavailable, assign another individual and ensure they double count all cash
- Make timely deposits: daily if possible, but at least every 2-3 days
  - Never leave undeposited money over weekends or holidays
- Never make payments to district employees including cash, check, or gift card. (Doing so can cause serious IRS payroll tax issues for the organization, the employee, and the district whether or not you issue a 1099.)

# Examples of Internal Controls, cont.

- Always report overages and shortages in cash controls AND cash
- Maintain budgets for all activities
- Ensure proper cash handling and physical chain of custody for all cash receipts
- No commingling of receipts from separate events
- Immediately deliver proceeds from all events to the bookkeeper
- Use pre-numbered tickets, receipt books, or tally sheets (e.g., cash controls) at all events
- Complete cash receipts and deposit documentation for fundraising events, concession sales, and other events
- Use cash boxes

# Examples of Internal Controls, cont.

- Safe storage is a MUST
  - The safest place for money to be is in the bank
  - Second safest place for money is a SAFE
- If you cannot deposit the money in the bank that day - **PUT THE MONEY IN THE SAFE WITH A WITNESS PRESENT!!**

# What's a Consultant?

- Not an employee
- Independent from the booster club or parent organization
  - Disk jockey
  - Photographer
- Is not paid as an employee in ANY other capacity
  - If the proposed consultant is already a booster employee, they cannot be paid as a consultant for this work
- Booster club must pre-approve the expense before the work occurs
- Paid directly by booster with a vendor check
- Fills out W-9 prior to working
- Income reported on IRS Form 1099 annually

# Alcohol is Prohibited!

## Possession and Sale of Alcohol

- NO ALCOHOL IS ALLOWED AT ANY BOOSTER CLUB EVENT ON DISTRICT PROPERTY.

California Business & Professions Code Section 25680(a) states:

“Every person who possesses, consumes, sells, gives, or delivers to any other person, any alcoholic beverage in or on any public schoolhouse or any of the grounds of the schoolhouse, is guilty of a misdemeanor.”

- This prohibition includes possession and consumption of alcohol and alcohol prizes, gift baskets and auctions.



# Tobacco is Prohibited!

## Possession and Sale of Tobacco

- NO TOBACCO IS ALLOWED AT ANY BOOSTER CLUB EVENT ON DISTRICT PROPERTY.
- Under California Health and Safety Code Section 104420 and California Labor Code Section 6404.5, United States Code Section 6083, the use of any form of tobacco products at any time in district-owned or leased buildings is prohibited on district property and in district vehicles.
  - The prohibition of tobacco applies to all employees, students, and visitors at any school-sponsored instructional program, activity, or athletic event held on or off district property.

# Questions?



# Thank You For Attending