

Parent Organization/Booster Club Checklist

The following checklist serves as a guide to help ensure that your Parent Organization/Booster Club have complied with the District's Board Policies and guidelines and federal and state regulations governing Parent Organizations/Booster Clubs. In addition, information you document here will help future officers continue your compliance efforts.

Page
Reference

General

- | | |
|---|-------------------------|
| 1. Provide the District's Internal Auditor and the School Principal or Administrator with a list of the Parent Organization/Booster Club officers at the beginning of each school year and as officers change. The list should include: | 5.2 7.2– 7.5 7.27 |
| - Name | |
| - Office Held | |
| - Mailing Address (can not be FBISD school address) | |
| - Home Phone Number | |
| - Work Phone Number | |
| 2. Provide the School Principal or Administrator with the Parent Organization's/Booster Club's constitution, bylaws, and operating procedures when they are originated. In addition, provide updated copies as changes are made. | 5.2 |
| 3. The Parent Organization's/Booster Club's official mailing address is: | 6.12 6.22 7.27 |
| Official Name _____ | |
| PO Box / Street _____ | |
| City, State and Zip Code _____ | |

Fund-raisers

- | | |
|--|------------------|
| 4. Provide the Sponsor and the School Principal or Administrator with a list of fund-raisers planned for the current year by the date established by the School Principal or Administrator or at least 30 days prior to any fund-raisers being held. | 5.2 7.25-7.26 |
|--|------------------|

Page Reference

- 5. Provide the Sponsor with detailed fund-raising information at least 30 days prior to the fund-raising event.

5.2
7.25-7.26

The detailed fund-raising information should include:

- Purpose of the fund-raiser,
- Type of fund-raising activity (i.e., candy sale, carnival)
- Date(s), time(s), and place(s) of the activity,
- Name of the sponsoring organization,
- Name and phone number of organization’s representative,
- Name and phone number of person(s) in charge of the fund-raiser, and
- Name and phone number of the person(s) who will be handling the money for the fund-raiser.

- 6. If your Parent Organization/Booster Club has received a limited tax-exemption from the Texas State Comptroller’s Office, your organization is entitled to two (2) “one-day, tax-free” sales/auction days per calendar year. (See Checklist item #15&16.)

6.9-6.10

If you are entitled to the two “one-day, tax-free” sales days, indicate the “one-day, tax-free” sales/auction that have been used or that are planned:

Calendar Year _____

Date / Fund-raiser _____

Date / Fund-raiser _____

Calendar Year _____

Date / Fund-raiser _____

Date / Fund-raiser _____

- 7. The Parent Organization/Booster Club cannot require members or students to fund-raise or raise a certain amount. For example, a student’s ability to attend a trip cannot be based on raising a certain amount of money. If your Club is currently requiring fund-raising, discontinue this requirement.

5.2
7.26-7.27

Page Reference

- 8. The Parent Organization/Booster Club cannot use individual accounts to credit an individual for funds raised. If your Club is using individual accounts currently, this practice should be discontinued.

5.2
7.26-7.27

Fund-raising is an opportunity to generate revenue for the Parent Organization/Booster Club as a group, not individuals. Therefore, revenues should be recorded in a group account where all members or students have the same opportunity to **benefit equally** from the revenues.

One member or student should not receive a larger benefit from fund-raising than another. In addition, if a member or student chooses not to participate in the fund-raiser, that person still **receives an equal benefit** from the revenues generated.

Financial Matters

General

- 9. The bank accounts used by the Parent Organization/Booster Club include:

| <u>Bank Name</u> | <u>Account Number</u> |
|------------------|-----------------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

- 10. Determine the identification number used for the bank accounts. The Parent Organization's/Booster Club's Employee Identification Number (EIN) should be used. Do not use an individual's social security number, and **do not use the District's EIN.**

5.2
6.15

The identification number used for the bank accounts is as follows:

- | | |
|---|-----------------------|
| | <u>Page Reference</u> |
| 11. Update the authorized signers on your bank accounts as officers change. | 5.2 7.21 B3.3 |
| The current authorized signers include the following Parent Organization/Booster Club officers: | |

| | <u>Name of Person</u> | <u>Officer Position Held / District Employee? (Yes/No)</u> |
|-----------------|-----------------------|--|
| <i>Example:</i> | <i>June Bugg</i> | <i>President</i> / <i>No</i> |
| | | |
| | | |
| | | |

IMPORTANT

The Sponsor cannot be an authorized signer on the Parent Organization's/Booster Club's bank accounts.

In addition, no other employee of the District may be an authorized signer on the Parent Organization's/Booster Club's bank account without written approval from the District. (See Policy GE Local 5.2-5.7)

See Authorization for District Employee Being a Signer on Parent Organization/Booster Club Bank Accounts in the Appendix.

- | | |
|--|------------------|
| 12. Provide a copy of the written Parent Organization/Booster Club Financial Report for the applicable school year to the School Principal or Administrator <u>and</u> to the Internal Auditor by September 1, of each year. For example, a report for the 2003-04 school year should be submitted by September 1, 2004. | 5.2 7.6-7.18 |
| 13. Provide a copy of the Parent Organization/Booster Club Review Committee Report that indicates the results of the review of the organization's financial information, including the Financial Report, to the School Principal or Administrator <u>and</u> to the Internal Auditor by September 1, of each year along with the Financial Report. | 5.2 7.16-7.18 |

Page Reference

State Regulatory Information

6.6-6.13

The following items need to be done only once since the origination of the Parent Organization/Booster Club.

14. Determine whether your organization has obtained a Texas Sales Tax Permit. 6.7

The Parent Organization's/Booster Club's sales tax permit number is:

15. Determine whether your organization has obtained a limited tax-exemption from the Texas State Comptroller's Office. 6.9-6.10

The Parent Organization/Booster Club has received a limited tax-exemption from the Texas State Comptroller's Office:

- Yes
- No

Reminder: Only those organizations with a limited tax-exemption from the Texas State Comptroller's Office is entitled to the two (2) "one-day, tax-free" sales/auction days.

16. If the Parent Organization/Booster Club is incorporated, determine whether your organization has obtained an exemption from Texas franchise tax from the Texas State Comptroller's Office. 6.11-6.12

The Parent Organization/Booster Club is incorporated:

- Yes
- No

If the Parent Organization/Booster Club is incorporated, an exemption from Texas franchise tax was obtained from the Texas State Comptroller's Office:

- Yes
- No

Page
Reference

The following item is applicable each school year or calendar year.

- | | | |
|-----|--|-------------|
| 17. | File the Parent Organization’s/Booster Club’s Texas State Sales Tax Reports as required. | 5.2 6.10 |
|-----|--|-------------|

The Texas State Comptroller’s Office determines whether the report needs to be filed quarterly or annually and is subject to change.

The Parent Organization/Booster Club files its Texas State Sales Tax Report:

- Quarterly or
- Annually.

Federal Regulatory Information

6.14-6.23

The following items need to be done only once since the origination of the Parent Organization/Booster Club.

- | | | |
|-----|---|------|
| 18. | Obtain an Employer Identification Number (EIN) from the Internal Revenue Service (IRS). | 6.15 |
|-----|---|------|

The EIN for the Parent Organization/Booster Club is: _____

- | | | |
|-----|--|------------------|
| 19. | Determine whether the Parent Organization/Booster Club has received tax-exempt status as a public 501(c)(3) organization from the IRS. If the IRS has approved the Clubs’ tax-exempt status, a Determination Letter would have been received from the IRS. | 5.2 6.15-6.22 |
|-----|--|------------------|

The Parent Organization/Booster Club received its tax-exempt status as a public 501(c)(3) organization from the IRS:

- Yes
- No

Note: If you have not applied for the tax-exempt status, complete the IRS Form 1023, Application for Recognition of Exemption, and the Form 8718, User Fee for Tax-exempt Organization Determination Letter Request. Submit these forms and the applicable fee to the IRS.

If you have applied for the tax-exempt status but you have not received your Determination Letter, you should receive an Acknowledgment of Your Request. Call the IRS to determine the status of your application.

Page
Reference

- 20. If you have received a Determination Letter from the IRS approving your Parent Organization/Booster Club as a public 501(c)(3) organization, determine whether your status as a public tax-exempt organization is only temporary.

If the tax-exempt status is temporary, the “Advance Ruling Period” ends on:

____/____/____

If the temporary status is about to expire or has expired, complete and submit the IRS Form 8734, Support Schedule for Advanced Ruling Period, to the IRS. The IRS should mail this form to the Parent Organization’s/Booster Club’s official mailing address.

The following items may be applicable during each school year or calendar year.

- 21. Determine whether your organization is in good standing with the IRS by calling the Exempt Organization Section of the IRS. 2.2
5.2
- 22. File the IRS Form 990-EZ or 990, Return of Organization Exempt from Income Tax, each year, if gross receipts are greater than \$25,000. 6.20-6.21
The return is due by the 15th day of the 5th month after the organization’s accounting period ends (due 4 ½ months after your official year-end).

Official Year-end: ____/____/____ Due Date for Return: ____/____/____

- 23. Issue 1099 forms to applicable individuals or businesses by January 31, of each year. If 1099 forms are issued, send information to the IRS by February 28, of each year.

Parent Organization/Booster Club Guidelines

- 24. **As your Parent Organization/Booster Club President or Treasurer changes, give the applicable Parent Organization/Booster Club Guidelines handbook to the new officer(s).**

If you have any questions concerning the above items, please refer to the applicable sections of this handbook.