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po6605

Vol. 41, No. 1 - September 2026 Revised CROWDFUNDING

ADOPTED Nov 20, 2019

6605 - **CROWDFUNDING**

This policy applies to the use of any form of crowdfunding utilizing an online service or website-based platform for the financial benefit or gain of the District – be it a specific classroom, grade level, department, school, or curricular or extracurricular activity.

"Crowdfunding" is ~~defined as~~ the solicitation of funds, supplies, or other resources from individuals and/or organizations to support specific ~~identified~~ activities or projects that enhance the educational program or a specific cause approved by the District. Crowdfunding ~~The solicitation~~ is typically from a large number of individuals/organizations utilizing internet-based technologies.

No crowdfunding site may use the name, logo, mascot, or any other name or slogan that would associate an activity with the District.

Crowdfunding activities aimed at raising funds for a specific classroom or school activity, including extracurricular activity, or to obtain supplemental resources (e.g., supplies or equipment) that are not required to provide a free appropriate public education to any students in the classroom may be permitted, but only with the specific approval of the Superintendent.

Such approved crowdfunding activities are authorized to use the District name, logo, mascot, or any other name or slogan that would associate an activity with the District. Unauthorized use of District branding is strictly prohibited. (See Policy 9700.01 - Advertising and Commercial Activities)

All crowdfunding activities shall align with the financial, operational, and platform standards outlined in Board policies. The **( )** Principal **( )** _____ **[END OF OPTION]** shall be responsible for monitoring compliance with this policy, approving platforms, and reviewing activities for alignment with District goals. If a crowdfunding activity is found to be in non-compliance with any appropriate Board Policy, it will result in the immediate cessation of the crowdfunding activity and the **( )** Board **( )** Superintendent **[END OF OPTION]** may prohibit future fundraising privileges.

All approved crowdfunding activities shall protect the privacy of students, children, and young adults in accordance with District policies and administrative guidelines and applicable State and Federal law, including Family Educational Rights and Privacy Act ("FERPA") ~~FERPA~~ and Individuals with Disabilities Education Act (" IDEA ") ~~IDEIA.~~

Materials, supplies, equipment, and other proceeds of the crowdfunding activity shall become property of the District or school. Direct cash payment ~~Cash~~ or equivalent payment to District personnel is prohibited **( )** if they exceed $25.00 **[END OF OPTION]**. All fiscal transactions shall comply with appropriate District policies.

Approved crowdfunding activities must be conducted through a District-approved platform that meets the following standards:

1. Systems and Organizational Controls (SOC 2) Type I Certification or equivalent standard recognized as best practice in the industry. (minimum):

   The platform must demonstrate compliance with SOC 2 or equivalent standards, ensuring strong controls for security, availability, processing integrity, confidentiality, and privacy. Compliance with this standard guarantees that the platform adheres to industry-recognized best practices for safeguarding sensitive data and financial transactions.

2. Low Fees: Platforms must not exceed _____ percent (___%) fee structure to ensure that the funds raised benefit the District maximally and minimize donor loss.
   [DRAFTING NOTE: A fifteen percent (15%) fee cap is recommended to maximize the portion of raised funds directed toward the project and minimize vendor administrative costs.]

All crowdfunding activities are subject to **( )** AG 6605 and other **[END OF OPTION]** applicable Board policies including, but not limited to, Policy 5830 - Student Fundraising.

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Legal
M.C.L. 380.1272b
7 C.F.R. Parts 210 and 220
42 U.S.C. 1779