# POLICY TITLE: Crowdfunding

#### Minidoka County Joint School District # 331

The District recognizes that crowdfunding is a useful tool to assist teachers and other employees in the procurement of funding for specific projects and/or programs. Crowdfunding campaigns have been used with great success to provide revenues for such benefits as classroom supplies, educational programs and activities and community advancement. However, the District also recognizes that unregulated use of employee crowdfunding campaigns that are administered on behalf of the District or an individual school or classroom within the District can subject the District and employees to legal liability.

## **Purpose**

The purpose of this policy is to ensure that crowdfunding campaigns administered by employees in their capacity as District employees or on behalf of the District or to supplement any District programs are effectively regulated and are appropriately used to further the District's objectives and mission.

## **Definitions**

"Crowdfunding campaign" means the practice of raising funds to meet an advertised goal or need by soliciting funds from a large number of people, typically via the Internet.

## **Prohibition on Unapproved Crowdfunding on Behalf of the District**

District employees, including teachers, coaches, staff, and paraprofessionals, may not engage in crowdfunding campaigns in their official capacity as a District employee, on behalf of the District or for the benefit of a District program or activity, without obtaining prior written authorization from the building administrator. Campaigns should utilize the District's activity fund module web program for all campaigns. You will need to contact the District Business Manager for access.

Employees who have not obtained prior written approval pursuant to this policy may not:

- 1. Solicit funds or items on behalf of the District or an individual school or classroom within the District on a crowdfunding website;
- 2. Give the appearance of soliciting funds or items on behalf of the District on a crowdfunding website;
- 3. Use the District's name, logo, mascot, or other identifying information in a crowdfunding post;
- 4. Link to or reference any of the District's websites or social media sites; or
- 5. Link to or reference any other sites, platforms, or accounts associated with the District.

Absent prior written approval by the District of a crowdfunding project pursuant to this policy, employees are prohibited from providing any information that would lead a reasonable person to

conclude that the funds identified on the crowdfunding website are to be used by the District or for any District purpose or program.

## **Procedures**

Employees wishing to utilize crowdfunding for District purposes or programs are required to obtain written permission to do so by submitting a Crowdfunding Request Form, to the building administrator. Written permission must be received before using any crowdfunding web page or effort.

It shall be the responsibility of building administration to approve or deny all crowdfunding requests. Crowdfunding requests that are incomplete, not submitted in writing, and/or do not meet the requirements of this policy shall not be considered for approval. Information required to be included in the crowdfunding request includes:

- 1. The name, job title, school, and contact information for the person overseeing the campaign;
- 2. The crowdfunding website to be used;
- 3. The items requested and/or the amount of funds targeted to be raised;
- 4. The classroom, program, and/or activity to be benefited;
- 5. The exact language that will be included in the post and/or advertising for the crowdfunding campaign; and
- 6. The start and projected end dates of the post and/or advertising.

## **Guidelines for Crowdfunding**

All crowdfunding campaigns involving classroom materials, projects, or resources must be consistent with the District-approved curriculum;

- 1. Before the building administration accepts technology related items, the building administration is responsible for confirming acceptability with the coordinator of technology and media services.
- 2. All crowdfunding campaigns, including the solicitation of donations, online posting, selection of items, and/or use of funds must be consistent with all applicable laws and District policies; and
- 3. All crowdfunding campaigns must have specific, pre-determined beginning and ending dates.
- 4. To the extent that physical property and not funds are solicited, such property shall be delivered directly to the building administrator of the building where the items are to be used and shall be deemed District property, subject to District policies concerning the use and disposal of District property.

Crowdfunding campaigns may not:

1. Include personally identifying information of any District student or otherwise focus on any identifiable student or groups of students;

- 2. Include pictures of District students on the crowdfunding website or post any personal or biographical information about any individual student or students on the website;
- 3. Reveal any confidential information concerning student academic or disciplinary records, personal confidences, health or medical information, family status or income, or assessment or testing results;
- 4. Reveal any confidential information about colleagues obtained through employment practices;
- 5. Disparage the District or any of its buildings, programs, students, or employees or paint the District or any of its employees, students, or programs in a negative light;
- 6. Be used for personal gain to the teacher or of any individual other than the District-related benefits associated with the campaign's purpose;
- 7. Result in funds and/or items being provided or delivered directly to the individual who requested the funds;
- 8. Solicit funds for items or projects that are religious or political in nature or that have a religious or political purpose;
- 9. Violate Title IX or any other applicable state or federal law;
- 10. Be contingent on additional District spending or require "matching" funds from the District or another organization;
- 11. Request food items that do not meet the "smart snacks" standards of the USDA regulations for school nutrition; or
- 12. Contain language that suggests or states that an item or items for which the donations are being sought are required for or otherwise integral to a student's special education program, necessary for a student to achieve his or her IEP goals, or necessary to ensure participation of a student or students with disabilities in school or any program offered by the District.

## **Requirements for Crowdfunding Sites**

Employees should use the District financial site. Employees should contact the district Business Manager for assistance in accessing the District's financial site.

All crowdfunding sites that are approved by the District must meet all of the following requirements:

- 1. The site must be operated by a legitimate corporation or limited liability company with no significant history of fraud, unlawful activity, financial mismanagement, or other misconduct; and
- 2. The site must have a policy that requires all funds raised by an individual on behalf of the school to go directly to the school, not the individual who posted or advertised the fundraising request.

## Additional Requirements and Regulations

Where a crowdfunding campaign requires the electronic transfer of funds, the building administrator in consultation with the business manager shall ensure that such transfer is made properly and in accordance with acceptable standards of practice. Where such transfer cannot be properly achieved, the campaign should not be approved.

The District reserves the right to refuse funds that have been raised through an approved crowdfunding campaign if it discovers that the project violated this policy or was in violation of the crowdfunding site's requirements, policies, or regulations.

The District reserves the right to terminate any pre-approved crowdfunding campaign for any reason or withhold approval for any crowdfunding campaign project for any reason.

## **Delegation of Responsibility**

The Superintendent or designee shall ensure that procedures and guidelines are in place to monitor all crowdfunding requests. Building administrators will be responsible for forwarding all information to his or her staff. Building administrators are responsible for reviewing all crowdfunding requests and determining the appropriate response. The building administrator or designee shall review any ongoing crowdfunding campaigns to ensure compliance. The District's business manager shall ensure the proper recording and accounting of any funds or items received through a crowdfunding campaign and shall be notified of any unused funds. These duties are intended as a guideline and in no way establish liability on the part of the District if a crowdfunding campaign fails to comply with District policies, state or federal law.



LEGAL REFERENCES:

**ADOPTED:** 

AMENDED: