## K-2600 KJA RELATIONS WITH BOOSTER ORGANIZATIONS

An organization of parents or community leaders affiliated with a school shall develop a constitution and/or bylaws. Those documents shall be approved by the principal, in writing, and be filed in the principal's office. The document shall contain the following:

The name of the organization.

The objective of the organization.

Eligibility for membership and membership enrollment procedures.

Officer selection, election procedures, and duties of each officer.

Principal or designee shall serve as ex-officio officer of the organization.

• Specific fiscal auditing and accounting procedures established by each organization with an end of year financial statement presented to the principal one (1) week after the close of the school year. The disbursements must require the signature of two (2) persons, other than coaches/sponsors, designated by the membership in accordance with accepted practices.

• The statement, "This organization shall abide by all School Board and administrative policies and procedures."

• Business shall be conducted in open meetings, with adequate notification of all meetings to all members and a summary of the proceedings shall be kept on file. A copy of the summary of proceedings shall be placed on file in the principal's office within one (1) week of all meetings.

• Any activities or fund-raising projects initiated by the organization and which involve the use of the name of the school must be proposed, in writing, and be authorized by the principal prior to the activity commencing or any final arrangements are made. If students are involved in the fund raising, prior Board approval must be received.

• Members of the faculty/staff, i.e., sponsors, may not be involved in the financial end of the organizations/clubs in anyway, i.e., they may not order items, collect monies, or sign checks for the organizations/clubs. They are not to be involved in sales in any way.

• All fund raising and expenditures that are not sanctioned by a recognized booster organization or parent group, must comply with all fiscal accounting procedures for activity funds as outlined in the District "Business Office Manual".

Purchases for school athletic programs must follow District guidelines.

Adopted: date of manual adoption

CROSS REF.: JJE - Student Fund-Raising Activities

The Board of Education encourages parent participation in all aspects of student life in the Aztec Municipal School District. Parents and others who wish to support school programs are encouraged to participate in the various Booster Clubs and other parent organizations that play such an important role in supporting, encouraging, and advancing school programs. The term "Booster Club" in this policy refers to all volunteer parent organizations that operate to support school programs in the district other than Parent-Teacher Organizations (PTOs).

To comply with federal and state law and regulation, Booster Clubs which are associated with an activity or event governed by Title IX of the Education Amendments of 1972 shall have all funds and financial transactions reported to the district. All funds and financial transactions of Booster Clubs shall be subject to all federal and state laws and regulations, Board of Education policies, and administrative procedural directives.

## A. Booster Clubs Guidelines

- 1. The sole purpose of a Booster Club is to support a school and its programs. Accordingly, all Booster Clubs must be approved by the principal of each school. An Authorization Form must be completed by the Booster Club and signed by the Superintendent or his/her designee. A copy must be kept by the Booster Club, the school it supports, and the district. The authorization is only good until the end of the academic year for which it was made unless revoked prior to the end of the year.
- 2. A copy of each Booster Club's: (1) constitution; (2) by-laws; and (3) listing of officers and board members (with contact information) must be submitted to the principal and Superintendent before Booster Club activities begin each season. Each Booster Club shall have a written constitution stating clearly defined objectives to be implemented by the club.
- 3. Booster Club activities must not conflict with, or detract from, instruction time. The principal, district office, and the Booster Club members will receive from the Booster Club, a written copy of the Booster Club's annual financial report, to be submitted on a bi-annual basis. The Superintendent may order, at any time, that the Booster Club's financial records be audited, at the school's expense, by an independent accounting firm or accountant designated by the Superintendent. If a Booster Club's money is managed through an activity account at school, the school district shall pay for an annual audit.
- 4. All Booster Clubs shall be incorporated as non-profit corporations, maintain a separate bank account, and shall apply with the Internal Revenue Service for recognition as an IRC 501(c)(3) charitable organization. If a Booster Club is not an internal revenue service recognized IRC 501(c) (3) corporation, it shall deposit all its receipts through a school activity fund by the district.
- 5. A district employee or board member may hold or serve as an officer of the Booster Club other than in the position of treasurer.
- 6. No district employee or board member shall lead fundraising efforts, maintain the accounting records for the Booster Club, or be the custodian of funds.
- 7. Stipends provided to any person affiliated with the school shall require approval by the district and shall be submitted to the AMSD Finance Department in a manner that shall not cause a violation of Title IX.

- 8. Booster Clubs shall not conduct a raffle or bingo event more than once during three consecutive calendar months and not exceeding four (4) occasions in one calendar year, unless the Booster Club complies with the requirements under the Bingo and Raffle Act, NMSA 1978, § 60-2B-1 *et seq*.
- 9. Booster Clubs may not give district employees any gifts that exceed the nominal amount as defined by the Internal Revenue Service and Board Policy.
- 10. The staff member sponsoring the booster club is responsible for ensuring that the booster organization follows all district policies and procedures.
- 11. The Superintendent, at his/her sole discretion, may dissolve any Booster Club that does not adhere to these guidelines, including, but not limited to, those that exhibit serious financial irregularities. The assets of the dissolved Booster Club will be disbursed in accordance with the by-laws of the Booster Club and the laws of the State of New Mexico. If the Booster Club has no by-laws, then upon dissolution, its assets will become the property of the district.
- B. Maintenance of Finances
  - 1. No district employee shall have signature authority on the Booster Club's bank account.
  - 2. Each Booster Club must require two (2) signatures for any reimbursement by the Booster Club. The two persons shall be designated in the by-laws.
  - 3. All fundraisers, projects, and activities to be conducted by a Booster Club must be planned in conjunction with, and have the prior written approval of the principal, Athletic Director, Superintendent, and the AMSD Board.
  - 4. Booster Clubs must follow New Mexico law and all applicable district guidelines, including those pertaining to fundraising activities and advertising.
  - 5. All funds collected from a Booster Club fundraiser or otherwise obtained by a Booster Club must be deposited into the Booster Club's bank account or delivered to the Principal or his/her designee if no separate account is maintained within the twenty- four 24 hours of receipt or the next banking day. Disbursements from the Booster Club's bank account will be by check only and all disbursements will be properly documented, i.e., receipts, invoices, etc. Each check written by a Booster Club must contain the signatures of two Booster Club officers as designated in the Booster Club's by-laws or constitution.
  - 6. Booster Clubs may donate funds to a school or to the school district. When these donated funds are deposited in a school or district account, the Booster Club relinquishes all control over these funds. Funds donated shall be used in a manner that shall not cause a violation of Title IX.
  - 7. All cash or other funds collected from Booster Clubs by the district or an individual school shall be receipted, accounted for, and placed in a secure location prior to deposit. All activity funds and cash in schools shall be subject to the twenty-four (24) hour deposit rule. All activity funds shall be subject to at least an annual audit for compliance with state statute and regulations.
  - 8. Hiring contractors to provide services to the school and paid by the Booster Club shall be permitted once the contractor has been approved by the district. The district shall have to consider and ensure that such contract or employment will not cause a Title IX violation.

LEGAL REF:

Title IX of the Education Amendments of 1972 NMSA 1978, § 60-2B-1 *et seq.* 

Adopted: date of manual adoption

CROSS REF.: JJE - Student Fund-Raising Activities