

***McKINNEY* ISD**

EVERY STUDENT, EVERY DAY!

BOOSTER CLUB GUIDELINES



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Helpful Contact Information

The Coach, Director, or Sponsor is the primary contact for Booster Clubs.
Below are other campus, district, state, and federal contacts that may be helpful.

Secondary Campus Contacts

McKinney High School 1400 W. Wilson Creek Pkwy McKinney, TX 75069	Dr. Paula Kent, Principal Marisha Diaz, Secretary Gail Erger, Bookkeeper	Phone: 469-302-5700 Fax: 469-302-5701
McKinney North High School 2550 Wilmeth Road McKinney, TX 75071	Jae Gaskill, Principal Yolanda Day, Secretary Libby Baumgartner, Bookkeeper	Phone: 469-302-4300 Fax: 469-302-4301
McKinney Boyd High School 600 N. Lake Forest Drive McKinney, TX 75071	Dr. Jennifer Peirson, Principal Christy Howley, Secretary Sabine Newman, Bookkeeper	Phone: 469-302-3400 Fax: 469-302-3401
Cockrill Middle School 1351 N. Hardin Road McKinney, TX 75071	Jennifer Zornes, Principal Maria Ruschill, Secretary Cindi VandenDool, Bookkeeper	Phone: 469-302-7900 Fax: 469-302-7901
Dowell Middle School 301 South East Ridge Road McKinney, TX 75070	Melanie Machost, Principal Stacie Bullock, Secretary Deborah Baker, Bookkeeper	Phone: 469-302-6700 Fax: 469-302-6701
Evans Middle School 6998 W. Eldorado Pkwy McKinney, TX 75070	Dr. David Hodum, Principal Meriann Moses, Secretary Hally King, Bookkeeper	Phone: 469-302-7100 Fax: 469-302-7101
Faubion Middle School 200 Doe Rollins McKinney, TX 75069	Mitch VanDeBoom, Principal Judy Chamorro, Secretary Pilar Schaefer Villarreal, Bookkeeper	Phone: 469-302-6900 Fax: 469-302-6901
Scott Johnson Middle School 3400 Community Drive McKinney, TX 75071	Holly Rogers, Principal Gloria Alberston, Secretary Victoria Danielson, Bookkeeper	Phone: 469-302-4900 Fax: 469-302-4901

McKinney ISD Contacts

General and Financial Issues

MISD Accountant – Stephanie Hodges 469-302-4018 shodges@mckinneyisd.net

Academic Booster Clubs

MISD Accountant – Stephanie Hodges 469-302-4018 shodges@mckinneyisd.net

Athletic Booster Clubs

Director of Athletics – Jennifer Frazier 469-302-4119 jfrazier@mckinneyisd.net

Fine Arts Booster Clubs

Director of Fine Arts –
Dr. Jared Critchfield 469-302-4093 jcritchfield@mckinneyisd.net

Financial Reports/Fundraisers

MISD Accountant – Stephanie Hodges 469-302-4018 shodges@mckinneyisd.net

State Contacts

Competition and Rules

University Interscholastic League 512-471-5883 www.uiltexas.org

Incorporations

Texas Secretary of State 512-463-5555 www.sos.state.tx.us

Raffles

Texas Attorney General 512-463-2100 www.oag.state.tx.us

Sales Tax (Sales Tax Permit, Exemption, Reports and Franchise Tax)

Texas Comptroller's Office
General Information 1-800-252-5555
Exempt Organizations Department 1-800-531-5441 ext. 34142

Federal Contacts

IRS Exempt Status as a 501(c)(3) Organization and Tax Returns

Internal Revenue Service (IRS)
General Information 1-800-829-1040 www.irs.gov
Tax-Exempt Organizations 1-877-829-5500 www.irs.gov
(Select Charities & Non-Profits)
Tax Forms & Publication 1-800-829-3676 www.irs.gov
(Select Forms and Publications)

INTRODUCTION

The *Booster Club Guidelines* were prepared to assist Booster Clubs in meeting District, University Interscholastic League (UIL), State, and Federal requirements. Therefore, it includes checklists, laws, regulations, policies, suggestions, and examples for Booster Clubs to follow. The *Guidelines* include items that must be followed by all Booster Clubs, such as District policies and guidelines, UIL guidelines, and State and Federal regulations. Other items include suggestions for improving your organization and related day-to-day activities.

Students enrich their education and expand their horizons when they participate in school activities and programs. Booster Clubs are parent organizations established to promote school programs or complement student groups or activities. A Booster Club's purpose is to support student programs at a particular school or various student programs at various schools. Even though a Booster Club works very closely with the District, it is a separate entity from the District. Therefore, the District greatly appreciates the time, effort and financial support that the Booster Clubs provide to our students.

Booster Clubs support student programs in cooperation with the Coach, Director, or Sponsor, who is a District employee and serves as the liaison between the Booster Club and the District. In addition, the campus Principal or designated Administrator must approve various activities of both the student group and the associated Booster Club. The main responsibilities of the Booster Club, Coach, Director or Sponsor, and Principal or Administrator are detailed below:

Booster Club – A Booster Club is responsible for supporting a student group, activity, or program. Support may be as simple as providing refreshment for a particular event or as complex as raising money for the organization. The Booster Club works directly with the Coach, Director, or Sponsor to provide assistance for the planned activities; however, the Booster Club does not have the authority to decide the activities or trips in which the student group will participate. Parents and the Booster Club may provide suggestions about particular activities; however, the Coach, Director, or Sponsor is responsible for the final decision and to obtain Administrator approval.

Coach, Director, or Sponsor – A designated Coach, Director, or Sponsor of a student group serves as the liaison between the Booster Club and the District, under the supervision of the Principal or Administrator. The Coach, Director, or Sponsor is responsible for determining the various activities and trips in which the student group will participate with the approval of the Principal or Administrator. In addition, the Coach, Director, or Sponsor should work very closely with the Booster Club and provide guidance to the organization. The Coach, Director, or Sponsor shall not be considered an officer or member of the Booster Club. However, the Coach, Director, or Sponsor shall approve all student and school-related activities of the Booster Club in accordance with Board Policy GE (Local) & UIL Regulations.

Principal and District Director - The Principal and District Director are responsible for approving the activities of both the student group and the associated Booster Club.

Important: McKinney ISD prepared these Guidelines to assist Booster Clubs in following various policies and regulations. McKinney ISD is not an authority on specific accounting procedures or tax-related issues concerning individual Booster Clubs; therefore, Booster Clubs should obtain competent independent counsel on accounting and tax matters related to their specific circumstances.

Responsibilities of Booster Clubs

Booster Clubs exist to enrich the experience of current student activities and uphold the program's traditions without endangering UIL eligibility. Booster Clubs shall organize and function in a way that is consistent with the District's philosophy and objectives, within adopted Board policies, and in accordance with UIL regulations.

District Booster Clubs shall:

1. Be voluntary and provide unified support for student activities of the school.
2. Encourage involvement by all parents of students participating in the supported
3. activity.
4. Use school facilities only with prior approval of the principal or designee.
5. Obtain approval of the Principal, District Director, or designee for all fundraising activities.
6. Submit a copy of audited financial report to the assigned Administrator no later than September 1st following the end of the fiscal year.
7. Submit the name, address, and telephone number of all current officers to the assigned contact by September 1st.
8. Ensure that all checks are signed with two signatures. This is required.
9. Provide evidence of adequate insurance coverage for activities conducted on school premises. The District cannot provide insurance coverage for Booster Clubs.
10. Pay all taxes and other debts incurred by the organization. (State sales tax and series 990 form to the IRS.)
11. Comply with administrative regulations and Board policies when donating money or gifts to the District.
12. Comply with UIL guidelines, District policies, and Federal and State tax laws.
13. Obtain tax exempt status 501(c)(3).
14. Obtain an Employer Identification Number (EIN).
15. Have bylaws that address all the topics listed in the UIL Guidelines.
16. Complete volunteer paperwork. All Booster Club members are required to renew their MISD volunteer application each year.
17. Follow all copyright, trademarking, and advertising laws and regulations.

District Booster Clubs shall NOT:

1. Be involved in decision or policy making activities for a student group.
2. Give a Coach, Director, or Sponsor a gift or cash in excess of the limits imposed by the

UIL guidelines (\$500) from any source in recognition of, or appreciation for coaching, directing, or sponsoring student activities.

3. Give anything (including awards) to students without prior approval from the school Administrator, Coach, Director, or Sponsor.
4. Give a member any gift without the approval of the club membership.
5. Direct, employ, contract, supplement or in any way compensate a consultant, clinician, accompanist, or paraprofessional for work performed for the student activity without prior approval from the Coach, Director, Sponsor, or Administrator.
6. Sign contracts or pay expenses directly from Booster Club accounts for any arrangements for student travel associated with the organization. (Booster Clubs or individuals may donate money or merchandise to the school with prior approval from administration).
7. Use the District tax identification number as the Booster Club identification number.
8. Use the District sales permit numbers as the Booster Club sales permit number.
9. Use McKinney ISD in the name of the Booster Club. (Ex. McKinney ISD Football Booster Club)
10. Give cash to any school employee to use at his or her discretion.
11. Attempt to influence the Coach, Director, Sponsor, Principal or other Administrators' decisions or be a lobbying group concerning matters which are duties assigned to District personnel, such as trips, staffing, and schedules.
12. Have event fundraisers or Booster Club meetings without prior approval.

BOOSTER CLUB CHECKLIST

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

General

1. Provide the District's Director of Athletics or Fine Arts the Booster Club's President and Treasurer's information. Provide the school's Principal with a list of the officers below at the beginning of each school year and as officers change. The list should include:
- Name
 - Office Held
 - Mailing Address
 - Home Phone Number
 - Work Phone Number
 - Cell Phone Number
 - E-mail Address

2. All Booster Clubs should provide the Director of Athletics or Fine Arts with the Booster Club's constitution, bylaws, and operating procedures when they are originated. In addition, provide updated copies as changes are made. In addition, athletic Booster Clubs should provide the athletic campus coordinator with their Booster Club's constitution, bylaws, and operating procedures as well.

3. The Booster Club's official mailing address is:

Official Name _____

PO Box/Street _____

City, State, Zip _____

(The District recommends that each Booster Club obtain its own post office box (PO Box) for official Booster Club mail. Athletic Booster Clubs may use the campus athletic secretary's address as well.)

Insurance

- 4. The Booster Club should consider purchasing a general liability policy, event liability, and/or fidelity (bond) insurance coverage policies.

Fundraisers

- 5. For the fundraisers planned for the current school year, submit the Permission Request (first 2 pages) of the Fundraising Activity Report online at least 30 days before the Fundraiser is set to begin.
- 6. In addition, provide the Coach, Director, or Sponsor with detailed fundraising information at least 30 days prior to the fundraising event, if not already provided on the Permission Request.

The detailed Fundraising information should include:

- Purpose of the fundraiser
- Type of Fundraising activity
- Date(s), Time(s), and place(s) of the activity
- Name of the Coach, Director, or Sponsoring organization
- Name/Phone Number of organization’s representative
- Name/Phone Number of person in charge of fundraiser
- Name/Phone Number of person who will be handling the money of the fundraiser

- 7. If your Booster Club has received a tax-exemption from the Texas Comptroller’s Office, your organization is entitled to two “one-day, tax-free” sales/auction days per calendar year (See Checklist Item #21). If you are entitled to 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/ Fundraiser _____

Date/ Fundraiser _____

Calendar Year _____

Date/ Fundraiser _____

Date/ Fundraiser _____

**** ALL OTHER FUNDRAISERS SHOULD INCLUDE PAYMENT OF SALES TAX****

8. The Booster Club cannot require members or students to fundraise or raise a designated amount of money. 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 Fundraising, discontinue this requirement.

The Booster Club cannot use individual accounts to credit an individual for funds raised. If your Club is using individual accounts currently, discontinue this practice.

Fundraising is an opportunity to generate revenue for the 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 Fundraising than another. In addition, if a member or student chooses not to participate in the fundraiser, that person still **receives an equal benefit** from the revenues generated.

Financial Matters

General

9. The bank accounts used by the Booster Club include:

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

10. Determine the identification number used for the bank accounts. The 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.**

The identification number used for the bank accounts is:

- 11. Update the authorized signers on your bank accounts as officers change.

The current authorized signers include the following Booster Club officers:

<u>Name of Person</u>	<u>Officer Position</u>	<u>District Employee?</u>
Example: June Bugg	President	No
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

IMPORTANT

District employees may serve parent organizations as a general member or as a member of its' executive board, except for the position of Treasurer. District employees shall not serve in a capacity over the organization's financial affairs, including an authorized signer on the bank account.

- 12. Determine whether your organization is in good standing with the Texas Comptroller's Office by calling their office.
- 13. Determine whether your organization is in good standing with the IRS In accordance with the Exempt Organization regulations of the IRS.
- 14. Present a written Treasurer's Report at every meeting that includes the general membership.
- 15. File the Booster Club's Texas Sales Tax Reports as required.

The Texas Comptroller's Office determines how often the report needs to be Filed and is subject to change.

The Booster Club files its' Texas Sales Tax Report:

- Monthly
- Quarterly
- Seasonal (Semi-Annually)
- Annually

- 16. Provide a copy of the written Booster Club Financial Report for the applicable school year to the Coach, Director, or Sponsor, the School Principal by September 1st, of each year. For example, a report for the 2024-2025 school year should be submitted by September 1st, 2024.
- 17. Provide a copy of the Booster Club Review Report that indicates the results of the review of the organizations' financial information, including the Financial Report to the Coach, Director, or Sponsor and the Principal by September 1st of each year, along with the Financial Report.
- 18. Provide a copy of the financial report and review report at a meeting that includes the Booster Club's general membership by October 31st of each year.
- 19. Issue 1099 forms to applicable individuals or businesses by January 31st of each year. If 1099 forms are used, send information to the IRS by February 28th of each year.

District employees hired by the Booster Club must be paid directly by the Booster Club, not by the District.

Note: Request a W-9 from the individual or business before issuing them a check.

- 20. File the IRS Form 990, 990-EZ, or 990-N, Return of Organization Exempt from Income Tax, each year.

The return is due by the 15th day of the 5th month after the organizations' accounting period ends (due 4 ½ months after your official year-end)

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

State Regulatory Information

The following items need to be done only once since the organization of the Booster Club.

- 21. Determine whether your organization has obtained a Texas Sales Tax Permit.

The Booster Club's sales tax permit number is _____

- 22. Determine whether your organization has obtained a tax-exemption from the Texas Comptroller's Office.

The Booster Club has received a tax-exemption from the Texas Comptroller's Office:

- YES
- NO

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

23. If the Booster Club is incorporated, an exemption from Texas franchise tax was obtained from the Texas Comptroller's Office:
- YES
 - NO

Federal Regulatory Information

The following items need to be done only once since the organization of the Booster Club.

24. Obtain an Employer Identification Number (EIN) from the Internal Revenue Service (IRS).

The EIN for the Booster Club is: _____

25. Determine whether the 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.

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

- YES
- NO

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 have not received your Determination Letter, you should receive an Acknowledgement of Your Request. Call the IRS to determine the status of your application.

26. **As your Booster Club President or Treasurer changes, give the *Booster Club Guidelines* handbook to the new officer(s).**

If you have questions, please refer to the applicable sections of this handbook.

BYLAWS

All Booster Clubs that are formed to support a McKinney ISD extracurricular activity must have bylaws that address all the topics listed in the UIL Guidelines. Please see these links for UIL Booster Club Guidelines:

<http://www.uiltexas.org/policy/guidelines-for-Booster-clubs>

https://www.uiltexas.org/files/policy/Booster_club_guidelines.pdf

What are Bylaws?

A Booster Club's bylaws provide the rules for how your organization operates, including how often meetings are held, how voting is conducted and the like. The bylaws should contain the detail of the rules of membership. **Bylaws must address the organization's fiscal year, organizational structure, and the methods used to elect officers.**

When registering a Booster Club, the bylaws for athletics must be submitted to the athletic campus coordinator and Fine Arts should be submitted to the Director of Fine Arts. The designee will review the bylaws to make sure that all the required topics are addressed, but the designee does not have the authority to change the bylaws. If the bylaws are incomplete, the Booster Club's registration will be denied until the missing topics are included in the bylaws.

Bylaw's must:

- Be approved by the assigned Administrator (Athletics – Campus Coordinator; Fine Arts – Jared Critchfield; All others – Campus Principal)
- Address the organizational structure
- Address the methods used to elect officers
- Contain the rules of membership
- Include how meetings will be publicized and conducted
- Address the organization's fiscal year
- Not allow one person to hold multiple offices
- Address the dissolution of a Booster Club

Election of Officers:

- Only active members in good standing shall be permitted to hold office or vote upon any matter of business of the organization.
- No officer shall be permitted to hold more than one office at the same time.
- Employees are not allowed to hold any MISD school PTA/PTO/Booster Club officer position that has a financial capacity. "Financial capacity" shall include President, Vice President, Treasurer, Fundraising chair, check signer, or any other function that involves the receipt and distribution of money.

Booster Club Officers

Minimally, the Booster organization shall annually elect the officer positions below. Each officer should receive a printed copy of these guidelines. Each officer must read the manual and return a signed acceptance form (included herein) to the campus principal before the first meeting of the new school year.

Role of Officers

President

Typically, the president of a Booster organization is an individual who has previously been active in the organization. The major duties include, but are not limited to, the following:

- Preside at all meetings of the organization.
- Regularly meet with the designated campus representative regarding Booster activities.
- Regularly meet with the treasurer of the organization to review the organization's position.
- Schedule annual audit of records or request an audit in the need should arise during the school year.

Vice-President

The vice-president acts as the president's representative in his/her absence. They must remain familiar with the organization. The major duties include, but are not limited to, the following:

- Preside at meetings in the absence or inability of the president to serve.
- Perform administrative functions delegated by the president.

Secretary

The secretary is responsible for keeping accurate records of the proceedings of the association and reporting to the membership. The secretary must ensure the accuracy of the meeting minutes and have a thorough knowledge of parliamentary law and the organization's procedures. The duties of the secretary include, but are not limited to the following:

- Report on any recommendations made by the executive board of the Booster organization if such a governing board is defined.
- Maintain the records of the minutes and any standing committee rules, current membership and committee listing.
- Record all business transacted at each meeting.
- Maintain records of attendance of each member.
- Conduct and report on all correspondence on behalf of the organization.

Treasurer

The treasurer is the authorized custodian of the funds of the association. The treasurer receives and disburses all monies indicated in the budget or as authorized by action of the association. All persons authorized to handle funds of the association should be covered by a fidelity bond in an amount based on the organization's annual income and determined by the executive board. The major duties include, but are not limited to, the following:

- Serve as chairperson of the Budget and Finance Committee if prescribed.
- Issue a receipt of monies received and deposit said amounts on a weekly basis (daily if receipts on hand exceed \$250.00).
- Maintain a current financial report including bank statements, bank reconciliations, and financial statements and be able to give them to the Assistant Superintendent of Business Operations when requested. Copies should be available for review by the general membership as requested.
- File financial reports by September 1st each year with the district executive board.
- Maintain accurate and detailed account of all monies received and disbursed.
- Reconcile all bank statements as received and resolve any discrepancies with the bank immediately.
- File sales tax reports as required by the State Comptroller's office (monthly, quarterly, or annually).
- File annual IRS form 990 in a timely manner.
- Submit records to the audit committee appointed by the organization upon request or at the end of the year.

Note: Due to the increasing requirements placed on charitable organizations by the Internal Revenue Service, it is strongly recommended the Treasurer have an accounting background or experience with keeping financial records.

District Executive Board

The Executive Board for Booster Club purposes within McKinney ISD will consist of the club's Coach, Director, or Sponsor and the assigned Administrator (Athletics – Jennifer Frazier; Fine Arts – Jared Critchfield; All others – Campus Principal).

Committees

Nominating Committee

The nominating committee is formed from the organization's membership in the spring of each year. The purpose of the committee is to recommend various members of the organization for office in the coming school year. The nominating committee should be charged with soliciting recommendations for officer positions within the organization. The committee should then contact the potential candidate directly to ascertain their willingness and desire to serve. The nominating committee should report back to the membership on their results in the spring so the election may be held.

Once officers are elected for the coming year, the newly appointed secretary must submit names, addresses, and phone numbers of the new officers to the campus principal or designee.

The secretary and treasurer of the organization shall turn records over to the incoming officers within thirty (30) days of the election. Records should be kept for a period of ten (10) years for audit purposes.

Standing Committees

Standing Committees can include but are not limited to:

- Nominating Committee
- Banquet Committee
- Fundraising Committee
- Membership Committee
- Scholarship Committee

Special Committees

Special committees are created for a specific purpose and voted upon by the membership. The committee is automatically dissolved as soon as that purpose is accomplished and the committee report is made. Special committees should complete their assignments within the current school year. If the objectives are not met at the end of the school year, officers will be required to reappoint members of the committee for the following year until the purpose of the committee has been achieved.

Individuals who have a conflict of interest shall not be allowed to serve as members of the committee. For example, senior parents would not be included on a scholarship committee since their child is a potential recipient of the monies.

Standards for Meetings

Notice of all meetings should be published at the campus seventy-two hours prior to the meeting date.

The notice should clearly indicate the date, time, and location of the meeting and the items to be discussed.

In order to provide an optimum level of communication and teamwork, Booster Club meetings should be held in the presence of the campus coordinator, head coach, head director, or other school sponsor.

Any action taken at the meeting should be documented in the minutes and are subject to review and possible revocation by the campus coordinator, head coach, head director, or sponsor.

Rules for Dissolution

A Booster organization may be dissolved by one of the following means:

- 1) A resolution is adopted by the Booster organization (or the executive board if the organization is inactive) stating that the question of such a dissolution be submitted to a vote at a special meeting of the voting members. At least 30 days prior to the meeting, written or printed notice shall be given to each member entitled to vote stating that the purpose of such meeting is to consider the advisability of dissolving the organization.
- 2) The Principal and the District Executive Board determine that the Booster Club is not functioning in a way consistent with school and district policies, and in accordance with UIL regulations.

If the Booster Club or District Executive Board dissolve a Booster Club, the Booster Club and/or the committee must determine the distribution and usage of treasury monies and other assets before dissolution. In order to comply with the Internal Revenue Service guidelines, care should be taken to ensure that excess funds are distributed within the framework of the organization's original purpose (i.e., band Booster funds would remain with the musical program at that particular campus). Any other distribution of funds could void the organization's tax exempt status rendering it a fully taxable entity.

Dissolution of Booster Clubs should be addressed in the Booster Club's bylaws.

Bylaws Summary

- Summit bylaws to the appropriate Director, along with registration paperwork for approval by September 1st.
- Officers must be elected.
- Officers must read the Booster Club Guidelines and sign and return the form stating they have done so.
- No one person may hold multiple offices.
- Head Coach, Head Director, or Sponsor must be in attendance at all meetings in an advisory capacity.
- MISD employees may not serve in a financial capacity of a Booster or parent organization.
- Bylaws must address the organization's fiscal year, organizational structure, and the methods used to elect officers.
- A Booster organization may be dissolved by one of the following means:
 - 1) A resolution is adopted by the Booster organization (or the executive board if the organization is inactive) stating that the question of such a dissolution be submitted to a vote at a special meeting of the voting members. At least 30 days prior to the meeting, written or printed notice shall be given to each member entitled to vote stating that the purpose of such meeting is to consider the advisability of dissolving the organization.
 - 2) The Principal and the District Executive Board determine that the Booster Club is not functioning in a way consistent with school and district policies, and in accordance with UIL regulations.

AUTHORITATIVE GUIDELINES OVERVIEW

Booster Club officers and the designated Coach, Director, or Sponsor are both responsible for ensuring that their Booster Club is in compliance with District policies and guidelines, UIL guidelines, and state and federal regulations. Therefore, the District, including any District employee other than the designated Coach, Director, or Sponsor, is not responsible for a non-compliance of a Booster Club regarding the pertinent policies, guidelines, and regulations.

UIL Booster Club Guidelines <https://www.uiltexas.org/policy/guidelines-for-Booster-clubs>

State Regulatory Information

Texas Comptroller's Office www.window.state.tx.us
Sales Tax Information www.window.state.tx.us/taxinfo/exempt
Exempt Organizations www.window.state.tx.us/taxinfo/exempt

For questions, contact the following:

1. Designated Coach, Director, or Sponsor
2. Athletics - Campus Coordinator or District director; Fine Arts – Jared Critchfield;
Others – Campus Principal

Director of Athletics
Jennifer Frazier
469-302-4119
jfrazier@mckinneyisd.net

Director Of Fine Arts
Jared Critchfield
469-302-4093
jcritchfield@mckinneyisd.net

The state and federal regulatory information included in this section does not include all laws or rules that may apply to your particular situation. This information is provided by the McKinney ISD; however, the McKinney ISD is not an authority on specific accounting situations or tax-related issues concerning individual Booster Clubs. Therefore, Booster Clubs should obtain competent independent counsel, such as a Certified Public Accountant (CPA) or an attorney, to address accounting and tax matters related to their specific circumstances. Booster Clubs should consider joining the following organizations:

Association of School Booster Clubs, Inc. <http://www.weareBoosterclubs.com/>
Parent Booster USA <https://parentBooster.org/>

The cost of these services is the Booster Club's responsibility. In addition, you may contact the IRS and the Texas State Comptroller's Office for questions related to your organizations' specific situation.

FINANCE INFORMATION

Banking Information

To open a bank account, The Booster Club must first obtain an Employer Identification Number (EIN) from the IRS. (See Tax Information section.)

The Booster Club shall not use just the school's name on its checks or on its literature. The use of the school name might imply that the school or the District is responsible for any obligations entered into by the club. It must include the Booster Club's name on the bank account.

Two officers must sign each disbursement. School district employees may not be the signer on Booster Club bank accounts for their own campus or programs for which they are the sponsor. Spouses should avoid being the dual signers for Booster Club checks.

All funds received should be receipted and deposited on a weekly basis. Commingling of Booster Club funds and school activity funds is prohibited. School employees may not accept loans of funds from parents and student organizations.

Tax Information

The purpose of this section is to provide general tax information to Booster Clubs. It is each Booster Club's responsibility to seek competent professional tax advice for its own tax reporting and filing requirements. The information provided in this document is not intended to be all-inclusive.

How to obtain tax exempt status 501(c)(3)

Your organization will need to take the steps necessary to become a nonprofit education organization recognized by the Internal Revenue Service as exempt from taxation. This is known as a 501(c)(3) entity.

Formation of a non-profit corporation does not necessarily entitle the organization to exemption from federal taxes. In order to be exempt from federal taxes, The Booster Club must apply for this status on Form 1023- Application for Recognition of Exemption under Section 501(c)(3). These documents are available on the Internal Revenue Service website: <http://www.irs.gov/>.

The application must be accompanied by Form 8718, User Fee for Exempt Organization Determination Letter Request, which provides a user fee to be paid to the Internal Revenue Service. Depending on the anticipated annual gross receipts, the fee is either

\$150.00 or \$500.00. Upon acceptance of the organizations exempt status by the Internal Revenue Service, a determination letter will be received as evidence of approval. The letter should be kept in a safe, permanent place as it will be used time and again to prove the organization's exempt status.

Please provide a copy of your determination letter to the district office.

Note: Instructions for completing these forms and copies of the forms can be found on the Internal Revenue Service website: <http://www.irs.gov/> under forms and publications. The IRS main number is 1-800-829-1040, and the Tax Exempt section is 1-877-829-5500.

How to obtain an Employer Identification Number (EIN)

The IRS requires all organizations (entities) that conduct business to have their own Employer Identification Number. The EIN is obtained with the SS-4 Form from the IRS. A member's social security number should not be used as the organization's Employer Identification Number for banking or other business purposes. Booster Clubs are not allowed to use the District's EIN.

To obtain an Employer Identification Number:

- Obtain and complete IRS Form SS-4.
- Make a copy for the club's permanent records.
- When a number is assigned to the Booster Club by the IRS, ensure that the paperwork is maintained in a permanent file from year to year.

Important information:

- The recommended fiscal year end for the Booster Club is June 30.
- There is no application fee required when filing Form SS-4.
- This EIN will be the number used to establish a bank account for the Booster Club.

Note: You can apply for an EIN number on the Internal Revenue Service website: <http://www.irs.gov/>. Type "employer identification number" under forms and publications. You will be able to complete the application process on line.

Sales Tax

All Booster Clubs must apply for their own sales permit number. **They may not use the number of another Booster Club or the District sales permit number.** Sales by a Booster Club are generally taxable. Booster Clubs are not tax-exempt unless they have filled out the proper application forms from the Texas Comptroller of Public Accounts and have been given tax-exempt status. Each Booster Club can have two tax free sale days per calendar year according to Texas State Sales Tax Law. Items can be sold during the tax-free weekend in August without collecting sales tax.

Organizations that have applied for and received a letter of exemption from sales tax do not have to pay sales and use tax when they buy, lease, or rent taxable items that are necessary to the organization's exempt function. No item purchased tax-free by an exempt organization can be used for the personal benefit of a private party or other individual. For any questions regarding sales tax, call the Texas Comptroller of Public Accounts at 1-800-531-5441 or email tax.help@cpa.state.tx.us.

Taxable Status of Purchases

- A Booster organization must provide the vendor with a valid signed exemption certificate when claiming state sales tax exempt status. Exemption certificates do not require tax identification numbers to be valid nor is the vendor required by law to honor the exemption.
- The District's exemption status may not be utilized by parent, Booster, patron, or alumni organizations to secure exemption from sales and excise taxes. Parent/teacher organizations and Booster Clubs must apply for their own exemption.
- Items which become the personal property of the student (cheerleader uniforms, band t-shirts, etc), even though connected with a school or organization, are not exempt from tax. Items which are purchased by the organization through budgeted funds as an award to a student are not taxable.
- Meals purchased by the organization for teams, groups, bands, etc. on authorized school trips are exempt from sales tax if the organization contracts for the meals. The Booster organization must pay for the meals with a Booster Club check and provide an exempt certificate.
- Individual members of the team, group, band, etc. may not claim exemption from sales tax on the meals they purchase while on a school authorized trip.

Collection and Remittance of Sales Taxes

The Booster Club shall collect sales tax on all taxable sales. When imposing sales tax, the organization has the option of

- adding the tax to the item's selling price. Thus, if the selling price of an item were \$2.00, the tax rate was 8.25%, the school would collect \$2.17 ($\2.00×1.0825) from the buyer for each item sold.
- Absorbing the tax in the item's selling price- thus, if the item sold for \$2.00 including the tax, the school would retain \$1.83 and remit \$0.17 for sales tax. If this method is used, divide the total sales by 1.0825 (assuming the tax rate is 8.25%) to find the taxable sales. To determine the sales tax amount, subtract the taxable sales from the gross sales.

For further questions, contact the Texas Comptroller of Public Accounts at <https://comptroller.texas.gov/>

Taxable Status of Sales

School and school related organizations need not collect sales tax on the following:

- Admission tickets
- Club memberships
- Food and drinks sold at school functions

Therefore, state and local sales tax shall be imposed and collected on all sales for:

- Items sold by the school store
- Any type of Booster Club materials
- Any other item sold as personal property (i.e. school pictures, uniforms, etc.)
- All sales of items such as handicrafts, t-shirts, candles, cups, books, and school supplies sold by a school associated organization during a fundraising drive
- All other personal property except for those items specifically excluded above

Sales tax should be filed in accordance with the State Comptroller's guidelines. Further information can be found on the Comptroller's website: <http://www.window.state.tx.us>

Annual Federal Filing Requirements

Every Booster organization exempt from federal income tax under section 501(a) is required to either file an annual Form 990 *Return of Organization Exempt from Income Tax*, Form 990-N *Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required To File Form 990* or Form 990-EZ or Form 990-EZ, *Short Form Return of Organization Exempt From Income Tax*. The return is due by the 15th day of the 5th month after the close of the organization's tax year or fiscal year. According to the IRS, small tax-exempt organizations, such as small Booster Clubs, are required to file an annual electronic notice Form 990-N (e-Postcard). The e-Postcard is required to be filed on-line. The e-Postcard is due every year by the 15th day of the 5th month after the close of the organization's tax year. A Booster Club cannot file the e-Postcard until after its tax year ends. Whether or not a Booster Club has filed for exemption status with the IRS, it should still file the appropriate 990 form as required by exempt organizations. IRS regulations affect Not-for profit organizations and their requirements for financial reporting.

For the fiscal year ending in **2011 and later**:

- Booster Clubs must use Form 990-N, normally known as the e-Postcard gross receipts are \$50,000 or less.

Booster Clubs must **use Form 990-EZ** if:

- Gross receipts are more than \$50,000 but less than \$200,000 **AND**
- Total assets are less than \$500,000 at year-end.

Booster Clubs must **use Form 990** if:

- Gross receipts are \$200,000 or more **OR**
- Total assets are \$500,000 or more at year-end.

These provisions may change so consult with a tax professional or the IRS for additional assistance.

Even though Booster organizations are recognized as tax exempt, they may be liable for Federal tax on the portion of income deemed to be unrelated business income (“UBI”). UBI is income from a trade or business activity, regularly carried on that is not substantially related to the charitable, education or other purposes that are the basis for the organization’s exemption. An organization that has \$1,000 or more gross income from UBI must file Form 990-T, *Exempt Organization Business Income Tax Return*. This form is filed in addition to Form 990, 990-EZ, or 990-N and is required regardless of the level of the income received.

If the Booster Club’s address has changed a notification must be sent to the IRS to ensure that any IRS refund or correspondence is received. To change an address with the IRS, complete Form 8822, *Address Change Request*, and send it to the address shown on the form.

Financial Reporting

At a minimum, the organization's membership should be provided with a financial statement and bank reconciliation at each meeting. The financial statement should provide a comparison of budgeted versus actual expenditures and receipts. Cash receipts and disbursement reports should be available for review when needed and at the annual audit.

Financial Reporting to the District

GASB Statement No. 39 of the Governmental Accounting Standards Board requires the District to obtain and review financial performance information of supporting organizations to determine whether these organizations should be considered a component unit. End-of-year financial statements should be submitted to the Assistant Superintendent of Business Operations (annually, by September 1)

Each Booster Club is required to have an organizational committee conduct an annual review of the organization's Financial Report and the related financial activity for the school year. The review committee may be two types: internal or external. An internal review committee includes officers and club members; however, the committee should have at least one non-officer member review the information. A CPA or other outside party may perform an external review at the Club’s expense. The organizational review committee, whether internal or external, must prepare a written Review Report that communicates the results of the review to the organization.

Cash Receipt Procedures

All cash collections received by the Booster Club for fees, dues, fundraising, etc. must be deposited upon receipt. All funds must be supported by some type of record documenting the source and amount of funds. Such documentation should be readily available for audit purposes.

Deposits should be made daily if the total receipts on hand exceed \$250.00. If daily receipts are less than \$250.00, deposits shall be made within one week even if the receipts for all days combined are less than \$250.00. All money must be deposited prior to holidays and weekends.

Bank deposits should be prepared as follows to ensure the integrity of the financial reporting:

- Separate all currency and coins by denomination and carefully count and record it in the appropriate section of the bank deposit form.
- A tape may be run of any checks included in the deposit rather than indicating the checks individually on the deposit slip. A copy of the tape should be retained with your copy of the deposit records.
- Total the deposit slip.
- Tally the pre-numbered cash receipts and make certain this total matches the deposit total.
- Attach the cash receipt verification with a copy of the deposit slip and file in date order.
- For large deposits, have another individual independently count the currency only (not the coins or checks) and verify the currency has been correctly recorded on the deposit slip.
- Both individuals should initial the deposit slip next to the currency amount on the deposit slip.
- Seal the deposit in a deposit bag in the presence of the second individual. This is called dual control and places the organization in a better position to challenge any claim that the bank may make that the currency received was not correct.

Bank Reconciliation

Upon receipt of the monthly bank statement, the balance indicated on the statement shall be reconciled to the bank account balance in the general ledger as of the last day of the month. The reconciliation should be completed within thirty (30) days of the date of the bank statement.

Items needed for reconciliation:

- Bank reconciliation form
- Prior month's bank reconciliation
- Bank statement

- Check Register and/or Cash Disbursement journal
- Cash Receipts journal
- General Ledger

1099 Requirements

The Internal Revenue Service requires that Booster organizations annually report all payments to individuals for services in excess of \$600.00 on a form 1099. The Booster Club should secure an IRS form W-9 from the provider at the time of service to ensure the organization has an accurate record of the tax payer identification number. The organization must then issue a form 1099 to all qualifying vendors performed in a calendar year by January 31st.

The Internal Revenue Service website should be accessed for appropriate 1099 reporting requirements and forms.

Insurance

The Booster Club should insure its operations, particularly cash handling. Officers could have personal liability for board actions or omissions. An insurance policy protects the officers from any litigation that might result from perceived poor decisions by the board.

To operate on the district property or away using district resources, a Certificate of Insurance (COI) naming McKinney ISD as a name additional insured on its Comprehensive General Liability (CGL) policy should be provided.

Fiduciary coverage protects the misappropriation of funds by a volunteer. These policies are generally sold in multiples of \$10,000. It can be attached to the CGL policy. If the Boosters own property, it is recommended that they consider property coverage as well.

Audit Instructions

Why is an audit necessary?

An audit is an examination of the financial records of the Booster Club. It ensures that all income and expenditures are accounted for and consistent with the budget and goals for the year. It also verifies that the bank balance and ledger balance are reconciled. The audit is to protect the Booster Club officers and the organization.

When is an audit conducted?

An audit should be conducted at the end of the fiscal year, when there is a change in treasurer, and when there is a change in any officer who signs Booster Club checks.

Who conducts the audit?

An audit may be conducted by an outside party, such as a CPA or an audit committee. The audit committee should be comprised of at least two members of the Booster Club (not the President or Treasurer).

What are the audit procedures?

Suggested steps for the audit committee:

1. Review reconciled bank statements and canceled checks to determine that:
 - a. Disbursements have been properly documented with an invoice or receipt.
 - b. Disbursements have been properly approved.
 - c. Checks have been properly signed.
 - d. Checks have been deposited or cashed by the payee indicated.
 - e. Checks have been accounted for in the proper sequence (no missing checks).
2. Check addition and subtraction on cash receipts and deposits.
3. Compare cash receipts and deposits to the bank statement.
4. Verify that receipts and disbursements were allocated to the correct account or budget category.
5. Verify that income from sales, dues, or any other sources have appropriate backup. The total amount collected should match the amount deposited into the bank account.
6. Review the Treasurer's monthly reports and check them for accuracy. Review the beginning and ending balances on reports to verify that correct ending balances were carried forward as beginning balances on subsequent reports.
7. Determine that only applicable Booster Club officers are authorized signers on bank account(s). Former officers should not remain on the account(s) as authorized signers. In addition, the faculty sponsor shall not be an authorized signer on the account.
8. Obtain proof that all applicable sales taxes were paid.
9. The audited financial report should be signed by all members of the audit committee and submitted to the campus principal or designee no later than August 1 following the end of the fiscal year.
10. Verify that 1099's were issued if applicable.

Suggestions to Protect Your Organization against Embezzlement

1. Money should never be kept at a treasurer's home.
2. Two people should always count the money, and both should sign the receipt verifying the amount.
3. Two signatures should be required on all checks.
4. Have a member who does not have check signing authority review the bank statement monthly before giving it to the treasurer. This person is looking for red flags including: checks showing up in non-sequential order, checks made out to cash, cash withdrawals, checks written out to non-approved vendors, checks written for non-approved expenses, and checks written out to individuals.
5. Never sign a blank check or a check made out to "cash."
6. The treasurer should arrange to deposit the money in the bank as soon as the conclusion of the project.
7. Money should be deposited into the organization's bank account daily, even if a project is ongoing.
8. All bills must be paid by check, never cash.
9. Conduct an annual audit of the books.
10. Before discarding any records, confirm with the Texas Comptroller's Office and the IRS that your organization is in good-standing and that no open items or issues exist related to the time period involving the records that you would like to discard.

Finances Summary

- Obtain an Employer Identification Number (EIN) from the IRS.
- Obtain a 501(c)(3) for tax exempt status from the IRS.
- Allowed 2 tax free days per calendar year.
- Submit end of year financial statements to your campus office and they will forward to the Assistant Superintendent of Business and Operations.
- Receipts over \$250 should be deposited daily.
- File a 1099 when needed. (over \$600)
- Invest in insurance for your Booster Club.
- Conduct an audit once a year.
- A district employee CANNOT be the treasurer or an authorized signer on the Booster Club's bank account(s).

FUNDRAISING

Fundraising Activities

According to District policy, funds received from Booster Club fundraising activities shall be used to benefit the student organization appropriately.

Fundraising projects conducted by parental organizations shall be:

- For the educational benefit of the student organization, coordinated through Administrator approval.
- For a specific project as identified in the current approved budget, and not for the sole sake of raising money.
- In connection with the established goals and philosophies of the Booster Club as well as UIL Guidelines.

The use of individual accounts for members of District groups or clubs is prohibited by the IRS.

District Fundraising Procedures

Booster Organizations must adhere to the following district fundraising procedures.

Booster Clubs are permitted two major fundraisers per school year and three minor fundraisers. Passive, ongoing fundraisers such as spirit wear sales and concession stand sales are unlimited.

<u>Type</u>	<u>Limit</u>	<u>Examples</u>
Major fundraisers	2 per school year	<i>Pledge Drives</i> – Snap-Raise, juggle-a-thon, free throw-a-thon, 100-inning game, softball-a-thon, <i>Product Sales</i> (limit to a two-week period) - candles, cookie dough, coffee, popcorn, school logo mugs, pajamas, flowers, poinsettias, candy, etc. <i>Events</i> - silent auction, casino night, 5k race, golf tournament, beach bash, bazaar, comedy performance
Minor fundraisers	3 per school year	Sonic car hops, car washes, discount cards, Restaurant nights, etc
Passive Ongoing	Unlimited	Spirit wear sales, concession sales

Before any Fundraising activity occurs, Booster Clubs should decide whether a fundraiser is a Booster Club fundraiser (money is deposited directly into the *Booster Club's* bank account) **or** whether it is a school fundraiser (money is deposited directly into the *District's student activity fund account* for that student group). If the activity is a Booster Club fundraiser, the Booster

Club is responsible for all money collected and deposited from the fundraiser. Likewise, if the activity is a school fundraiser, the school is responsible for all money collected and deposited from the fundraiser.

Any individual, including a District employee, who is hired by the Booster Club must be paid directly by the Booster Club and not through the District. There are many technical and legal issues that arise if they are paid by the District. These issues include overtime pay; use of weighted average hourly rates; payment of TRS, taxes, and other benefits; and the advancing of district funds that are prohibited by law.

In some situations, Booster Clubs that hold events at district facilities may be charged for staff that must be on hand for the event or to clean up after an event. They receive payment from the District via facilities charges paid for by the Booster Club. These employees are working for the District and not the Booster Club.

Remember that federal law requires that a Booster Club paying \$600 or more to an individual during any calendar year must account for this income through the issuance of a 1099 form. This includes an individual who is paid \$600 or more for “cultural arts events.” The Booster Club will need to obtain social security numbers from all workers by requiring them to complete a W-9 form. The W-9 should be completed before paying the worker.

Also, remember that the Booster Club is responsible for its volunteers and employees during Booster Club events or activities, including injury, theft, or damaged district property. Certain district employees cannot be hired by a Booster Club to perform work that includes the handling of money. These positions include Principals, Financial Secretaries, Principal Secretaries, and Booster Club Coaches, Directors, or Sponsors.

IRS Regulations

The IRS prohibits tax-exempt organizations from **requiring** people to participate in fundraisers. Likewise, Booster Clubs may not require an amount be “donated” in lieu of participating in the fundraiser. People **may choose** whether or not to participate in a fundraiser and may choose whether or not to donate to the Booster Club. Furthermore, if a person decides not to participate, that person cannot be excluded from having the opportunity to benefit from the fundraiser and cannot be penalized in any way for choosing not to participate in the fundraiser. Furthermore, benefits given by a tax-exempt organization **cannot** be based on participation in a fundraiser or based on revenues raised individually. Therefore, regardless if a person participates in a fundraiser and regardless of the amount of revenue raised, that person cannot be denied the opportunity to receive an equal benefit.

“Individual accounts” are those accounts used by a Booster Club to credit an individual with revenues raised. Booster Clubs should not use these accounts to benefit the individual instead of the team. Rather, the entire team/group should benefit from revenues raised by individuals.

The District recommends contacting the IRS before expending the funds if a question exists as to whether it falls under the use of funds approved by the IRS.

Raffles/Bingo

School Districts are prohibited by Texas law from sponsoring or conducting any raffle or bingo game conducted for the purpose of raising money. However, the state Charitable Raffle Enabling Act (and also one for bingo) allows organizations that support schools to conduct raffles under certain conditions. A raffle is any activity that involves awarding a prize or anything of value (from a cake to a car) to one or more people who have purchased a ticket.

What prizes may be offered in a raffle?

An organization may offer any prize except money. If the raffle organizers offer a prize which they have purchased or have given other consideration for, the value of the prize may not exceed \$50,000. There is no value limit on prizes donated to the organization. Texas lottery tickets may be purchased and offered as prizes, even though the tickets' payoff may exceed \$50,000. The organization must have each raffle prize in its possession or must post a bond for the full amount of the value of the prize with the county clerk of the county where the raffle will be held.

The Charitable Raffle Enabling Act, effective January 1, 1990, permits “qualified organizations” to hold up to two raffles per calendar year, with certain specified restrictions:

A nonprofit organization that has existed for at least three preceding years, during which it has had a governing body duly elected by its members and is exempt from federal income tax under Section 501(c)(3), Internal Revenue Code; does not distribute any of its income to its members, officers or governing body; does not devote a substantial part of its activities to attempting to influence legislation; and does not participate in any political campaign.

The language of the law is very specific. If you are considering holding a raffle to benefit an organization, please review the appropriate state statutes to ensure you qualify. These statutes are found at <http://www.statutes.legis.state.tx.us/Docs/OC/htm/OC.2002.htm>

Any raffles or bingo games held on district property must be clearly advertised as a Booster

Club event and not a McKinney ISD program event (i.e., HS Band Boosters Raffle; not HS Band Raffle).

Although you may hold a casino night as a service to your students, you may not hold a casino night as a fundraiser. This is restricted by the State of Texas. For further information see:

https://www.oag.state.tx.us/consumer/raffle_faq.shtml

Gifts

Coaches and Directors of UIL academics, athletics, and fine arts may not accept more than \$500 in money, product or service from any source in recognition of or appreciation for coaching, directing, or sponsoring UIL activities. The \$500 limit is cumulative for a calendar year and is not specific to any one particular gift.

Donations

Any expenditure for direct operating expenses; example-salaries, furniture, or equipment; may be submitted to the Business Department with the proper forms along with a check from the Booster Club made payable to McKinney ISD.

Charitable Causes

Unfortunately, heartbreaking events happen in the lives of our students, district staff, and their families. While many wish to offer financial support, Booster Clubs are not permitted to raise or expend funds for these situations. Rather, individuals who raise funds completely independently of the Booster Club, including collecting and depositing these donations in an account that is not associated with the Boosters. Donations can then be made by individuals or businesses by sending checks to the bank or credit union for the particular individual or family. These contributions are **not** tax deductible for income tax purposes. According to UIL rules, all funds raised by Booster Clubs are to be used to support school activities. To provide such funding for non-school activities would violate UIL rules and guidelines

Project Graduation

Booster Clubs may donate to the local MISD Project Graduation as this event benefits all MISD students and is a proper use of raised funds.

Inventory

Any items donated or purchased with Booster funds such as furniture, equipment, supplies, or clothing (uniforms, practice gear) should be placed on the Coach's, Director's, or Sponsor's annual inventory form.

Fundraising Summary

- Follow all MISD Fundraising Guidelines and complete required forms.
- All athletic Booster Clubs are required to complete the McKinney Athletic Fundraising Permission Request form.
- Do not require people to participate in a fundraising activity.
- Do not require a certain amount to be raised or sold by each person.
- Gifts over \$500 to Coaches, Directors, or Sponsors are not permissible. The \$500 limit is cumulative for a calendar year and is not specific to any one particular gift.

SCHOLARSHIPS

The District requires Booster Clubs to implement scholarship programs that are consistent with all other District scholarship programs.

Requirements include:

- ALL qualifying seniors must have the opportunity to apply for the scholarship(s).
- The application process must be clearly communicated, and the application forms must be readily available to all potential applicants and their parents and/or guardians before the end of the first grading period of the academic year.
- The Scholarship Review Committee must be appointed by the President of the Booster Club before the first day of the academic year.
- The Scholarship Review Committee must include an odd number (3-7) of members and other individuals who do not have children eligible for scholarship consideration. Members of this committee could include Booster Club members, parents and guardians, teachers, and campus administrators. Although Coaches, Directors, and Sponsors are not allowable members of the Scholarship Review Committee, they often serve as ex-officio members providing additional information and input to the Scholarship Review Committee, and thus, providing a final review of the decisions of the Scholarship Review Committee.
- The Scholarship Review Committee must consider all qualifying applicants.
- The qualification criteria for selection for scholarship winners (if any) must be communicated in writing to all potential applicants before the end of the first grading period of the academic year and may not be changed during the scholarship award period. Any changes to the scholarship qualification criteria or amount given must be recommended by the Coach, Director, or Sponsor and voted on by the Booster Club membership no later than the May Booster Club meeting for changes effective in the upcoming academic year.
- The application, scoring, decision materials, tabulation, notes, certified recordings, and/or any other documentation used by the Scholarship Review Committee in connection with a given application shall be made available upon written request of that applicant. An open records request fee may be charged for this service.
- The Scholarship Review Committee must retain the original application materials for a minimum of seven years.

- Scholarship applicants shall be full-time MISD senior students for a minimum of one full semester prior to the application deadline.
- All scholarship applications which do not have the required information will be considered incomplete and returned to the applicant.
- Scholarship awards may not be "need" based.
- The applicant's intended major may or may not be made a factor in scholarship consideration.
- The applicant's enrollment in an accredited institution (college, university, trade school, military academy, etc.) is a requirement for receiving scholarship funds.
- Checks will be written directly to the accredited institution (not the student) after a receipt or invoice has been provided.

The Booster Club may or may not require interviews with applicants in the decision process. The applicant's parent or guardian must be permitted to be present at any interview. Interview topics must be communicated to the applicant not less than seventy-two hours prior to the interview.

The scholarship committee may require an essay for judging purposes. Essay topics may be selected each year and given to all applicants, or the Scholarship Review Committee may allow each applicant to select their own topic upon the Coach, Director, or Sponsor's approval.

Scholarship Summary

- The Scholarship Review Committee should be appointed by the President before the first day of the school year.
- Scholarships may only be awarded to seniors.
- The applicant's enrollment in an accredited institution is a requirement for receiving scholarship funds.
- Scholarships may not be "need" based.
- Members of the Booster Club who have a child eligible for a scholarship may not serve on the Scholarship Review Committee.
- The Coach, Director, or Sponsor may not be involved in the selection process.
- Checks will be written to the university (not the student) after a receipt/invoice has been provided.

RECORDS AND FORMS

Booster Clubs have responsibilities to the federal government, the state, the District, and to the students whom they support. These responsibilities include keeping accurate and updated records so that the organization may complete the necessary filing requirements with the state and the IRS. In addition, these records will help you prepare your annual Financial Report and Review Report due to the Coach, Director, Sponsor, Principal, and the Accounting Director by September 1st of each year.

This section includes information that must be submitted to District personnel, including the Booster Club Information Sheet that must be submitted each year and as Officers change. In addition, this section will also be helpful to you in preparing the Financial Report and Review Report.

Most of the reporting requirements of a Booster Club are dependent on the financial records; therefore, the Booster Club Treasurer is an extremely important and vital office that should not be taken lightly. Although the Treasurer may delegate certain duties (e.g., Fundraiser Chairperson – Catalog Sales), the Treasurer is ultimately responsible for ensuring that all financial records are maintained accurately for the Booster Club.

Booster Club Information Sheet

Send an updated copy of this form to the applicable governing Director and to your School Principal as new officers are elected or as information changes.

1. Official Booster Club Name _____
2. School Name _____
3. Coach, Director, or Sponsor's Name _____
4. Employer Identification Number (EIN) _____
5. Official Mailing Address:
 - PO BOX/Street Address: _____
 - City, State & Zip Code _____
6. Date of Change _____
7. Current Booster Club Officers for the _____ School year.

Office Held:			
Printed Name:			
Mailing Address:			
Phone Numbers:	Hm:	Wk:	Cell:
E-mail Address:			

Office Held:			
Printed Name:			
Mailing Address:			
Phone Numbers:	Hm:	Wk:	Cell:
E-mail Address:			

Office Held:			
Printed Name:			
Mailing Address:			
Phone Numbers:	Hm:	Wk:	Cell:
E-mail Address:			

Office Held:			
Printed Name:			
Mailing Address:			
Phone Numbers:	Hm:	Wk:	Cell:
E-mail Address:			

Office Held:			
Printed Name:			
Mailing Address:			
Phone Numbers:	Hm:	Wk:	Cell:
E-mail Address:			

Note: The information contained in this document is public information and must be released to the public when requested.

Online Approval Forms

Forms can be found online at:

www.mckinneyisd.net → Departments → Athletics or Fine Arts → Booster Clubs

Activity Form

Description: Required for **all** non-monetary activities performed by the Booster Club or Organization, excluding fundraisers and donations.

Examples: Banquets, meetings, team dinners, etc.

Requestor: Booster Club representative OR Coach, Director, or Sponsor

ONLINE EXAMPLE OF THE BOOSTER CLUB ACTIVITY FORM

MISD ATHLETIC FORMS

Home Form Descriptions Approve

MCKINNEY ISD
BOOSTER CLUB ACTIVITY
APPROVAL FORM

Required fields are indicated by *

Today's Date:

*Name of Booster Club: *Campus: *Sport:

*Booster Club Contact Person: *Booster Club Contact Email:

Name of MISD contact person (Coach or Sponsor):

*Type of Activity:

Enter Activity dates (up to 10) below. For more than 10 dates please submit a second form.

*Event Date 01:

Event Date 02:

Event Date 03:

Event Date 04:

Event Date 05:

Event Date 06:

Event Date 07:

Event Date 08:

Event Date 09:

Event Date 10:

*Event Coordinator: *Phone Number:

*Location of Event: *Purpose of Event:

Coach/Sponsor's Signature of Approval ()	Date Approved
Campus Administrator's Signature of Approval (Principal/Campus Coordinator) ()	Date Approved
District Administrator's Signature of Approval (Athletics/Fine Arts) ()	Date Approved

Gift Acceptance Form

Description: Required for all donations (monetary or equipment) to the student program.

Note regarding food donations – At the conclusion of a season, the District requires the Booster Club to turn in ONE gift acceptance request form for any monies used toward food for the students throughout the duration of the season.

Examples: Playoff T-shirts, warm-ups, balls, video equipment, locker room paintings, monies for banquet, monies for coaches clinic, etc.

Requestor: Booster Club Representative OR Coach, Director, or Sponsor

ONLINE EXAMPLE OF THE BOOSTER CLUB GIFT ACCEPTANCE FORM

MISD ATHLETIC FORMS

Home Form Descriptions Approve

McKinney Independent School District
Gift Acceptance Request Form

Required fields are indicated by *

Today's Date: 4/30/2018

*Campus: *Sport:

*Contact Email:

Donor Information:

*Name:

*Address:

Donation Information

Money (Amount): To be used for:

Account Code to be spent from:

Supplies/Equipment

Description:

Estimated Value:

*Will equipment be supported/maintained with District funds?
 Yes No

*Does campus/department accept responsibility for all associated costs?
 Yes No

Campus Administrator's Signature of Approval (Principal/Campus Coordinator) () Date Approved

District Administrator's Signature of Approval (if UIL related) () Date Approved

Assistant Superintendent of Support Services (If equipment or facility related) () Date Approved

Deputy Superintendent's Signature of Approval () Date Approved

Superintendent's Signature of Approval () Date Approved

Fundraiser Permission Request Form

Description: Required for all fundraisers held by either the school athletic program or organization, or the related Booster Club.

Examples: Sonic car-hop; car washes, discount cards, poinsettia sales, catalog sales, etc.

Requestor: Booster Club Representative OR Coach, Director, or Sponsor

ONLINE EXAMPLE OF A BOOSTER CLUB FUNDRAISING FORM

Home	Form Descriptions	Approve
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McKinney Independent School District
Fund-Raising Activity Report
Permission Request

Instructions

1. The Permission Request (2 pages) must be completed and submitted to the principal or designee for approval by September 30 of each school for the fundraisers to be held. The Principal will return the form to the individual requesting permission.

2. The Operating Report (2 pages) shall be prepared promptly upon completion of the fund-raising activity. A copy of the form should be retained by the organization sponsor and the original should be turned into the financial secretary (secretary that handles the school's finances) no later than one week subsequent to the projected end date of the fund-raiser as stated on the Permission Request. If a PTO or Booster Club is holding the fund-raiser, the Operating Report should be provided to the organization's Treasurer and not the school. The organization is responsible for handling the money received and the related expenditures as well as keeping the fund-raiser records as required for record retention.

Required fields are indicated by *

*Campus: *Sport: Today's Date: 4/30/2018

*Organization: *Contact Email:

*Sponsor:

*Specific Purpose(s) for which the net proceeds are to be used:

Activity Fund Account that will receive the net proceeds (Account Code):
Account #

*Description of Fundraiser

Quoted Profit % from Vendor

*Type of Fundraiser If Hosted Event or Other Please Describe:

*Fundraiser Start Date: *Fundraiser End Date:

*Due Date for Operation Report (1 Week after the Fundraiser End Date):

*This is the following type of Fundraiser:

Please refer to the online McKinney ISD Booster Club Manual for the most up-to-date guidelines related to Booster Clubs. The manual can be accessed by visiting www.mckinneyisd.net, click on Athletics or Fine Arts, and then click on the Quick Links menu titled "Booster Clubs".