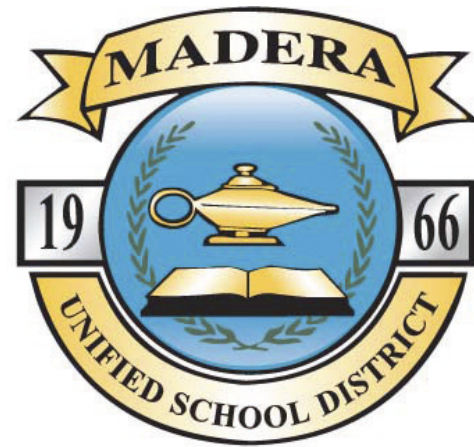
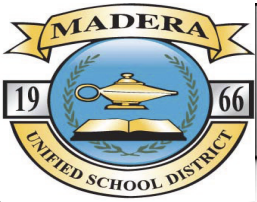


Madera Unified School District

Guidelines for Parent Organizations and Booster Clubs

October 22, 2012

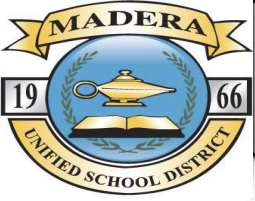




Agenda



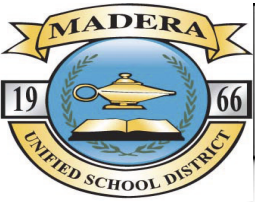
- Fundraising
- Paperwork
- Cash Management
- Use of Funds



Booster Clubs and PTAs

- Ability to raise funds, purchase items and donate
- ASB = Primary participation of students
- BOOSTER = Primary participation of adults
- Separate from District, **cannot use** District logo

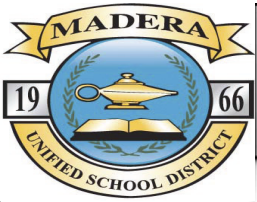




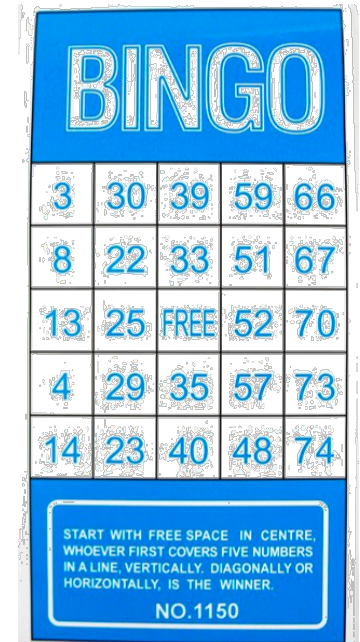
Fundraising Activities

- CA Ed Code Section 51521 Governs Boosters
- Use “Fundraising Request Form”
 - Approval by the School Principal
- Fundraising organizations require District Governing Board approval

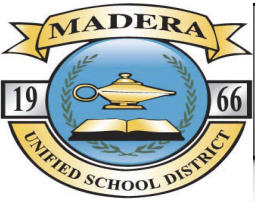




Raffles Bingo & Gambling



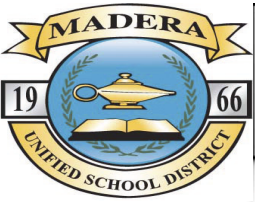
- All charitable gaming by non-profits must:
 - Follow CA record keeping and gaming rules
 - Keep 90% of the proceeds (winners get 10% max)
 - Register with the Department of Justice (raffle) and/or Bureau of Gambling Control (pai gow, poker, etc.)
- 50/50 Raffles are Illegal (min 90% of funds to charity)



School-Connected Food Sales

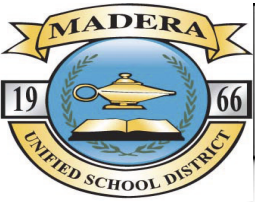
- Food sales on school premises must comply with state law as well as district policies and regulations
 - No food sales during the day
 - Food sales can only begin 30 minutes after the school day ends
 - BP/AR 3554 – Other Food Sales
 - BP/AP 5030 – Student Wellness
- Additional information is available from Child Nutrition Services





Use of District Facilities

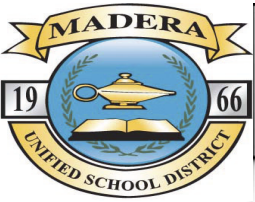
- **Use of Facility Form** should be submitted, generally, one month before the intended activity
- **Certificate of Insurance** covering liability and property damage, endorsing the district as additional insured may be required based on the type of activity
- ✗ Cannot sell booth space at school site events
- ✗ Cannot rent district space or equipment to vendors



Liability Insurance

- The District requires Parent and Booster Clubs to be MUSD Board Approved to fall under the District's liability insurance
- Use of school facilities may require a higher level of coverage based on the type of activity or for large events, i.e. provide proof of liability insurance in the minimum amount of \$1,000,000 combined single limit with the District name as an additional insured
- Use of School Facility Form

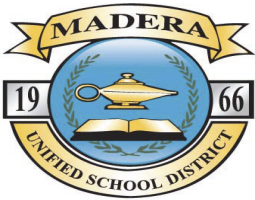




Unacceptable Fundraisers



- Mechanical or animal rides
- Games with live targets
- Objects thrown at people
- Anything involving darts/arrows
- Trampolines
- Jumpers
- Rental of district owned equipment or facilities
- Anything not allowed by board policy



Paperwork

Form 1040 Department of the Treasury—Internal Revenue Service **2006** (99) 995 Use Only—Do not write or staple in this block. OMB No. 1545-0047

For the year Jan. 1-Dec. 31, 2006, or other tax year beginning 2006, ending 20

Label (see instructions on page 16.) Use the IRS label. Otherwise, please print or type.

Label HERE

Your first name and initial Last name

If a joint return, spouse's first name and initial Last name

Home address (number and street). If you have a P.O. box, see page 16. Apt. no.

City, town or post office, state, and ZIP code. If you have a foreign address, see page 16.

Your social security number

Spouse's social security number

You must enter your SSN(s) above.

Checking a box below will not change your tax or refund.

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 16) ☐ You ☐ Spouse

Filing Status Check only one box.

1 ☐ Single

2 ☐ Married filing jointly (even if only one had income)

3 ☐ Married filing separately (enter your spouse's SSN above and full name here.)

4 ☐ Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter this child's name here.

5 ☐ Qualifying widow(er) with dependent child (see page 17)

Exemptions

6a ☐ Yourself. If someone else is your dependent, do not check box 6a.

b ☐ Spouse

c **Dependents:**

(1) First name Last name (2) Dependent's social security number (3) Relationship to you (4) ☐ If qualifying child for child tax credit (see page 19).

If more than four dependents, see page 19.

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 23.

Enclose, but do not attach, any payment. Also, please use Form 1040-E.

7 Wages, salaries, tips, etc. Attach Form(s) W-2

8a Taxable interest. Attach Schedule B if required

b Tax-exempt interest. Do not include on line 8a

9a Ordinary dividends. Attach Schedule B if required

b Qualified dividends (see page 23)

10 Taxable refunds, credits, or offsets of state and local income taxes (see page 24)

11 Alimony received

12 Business income or (loss). Attach Schedule C or C-EZ

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐

14 Other gains or (losses). Attach Form 4797

15a IRA distributions 15a Taxable amount (see page 20)

15b Pensions and annuities 15b Taxable amount (see page 20)

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E

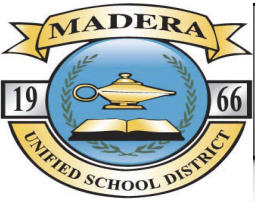
18 Farm income or (loss). Attach Schedule F

19 Unemployment compensation

20a Social security benefits 20a Taxable amount (see page 27)

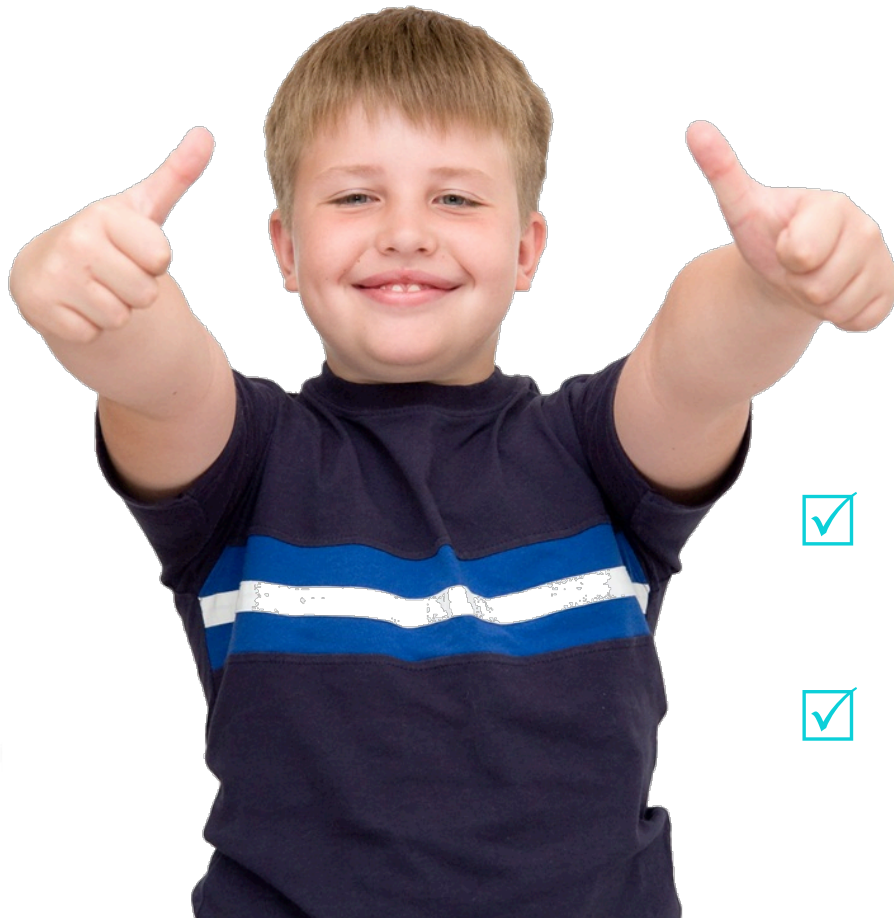
21 Other income. List type and amount (see page 29)

22 Add the amounts in the far right column for lines 7 through 21. This is your total income.

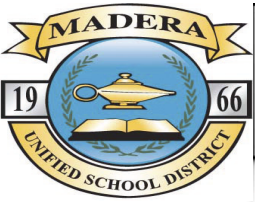


Board Requirements

- ✓ Approved by the District
- ✓ Must Have Bank Account



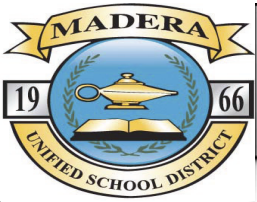
- ✓ Must have own TIN –
Tax Identification Number
- ✓ If annual revenue exceeds \$5k
Must have 501(c)(3) tax status



All Clubs Submit



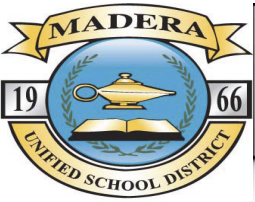
1. Tax Identification Number
2. Proof of Liability Insurance
3. Names, Addresses, Emails, Phone Numbers of All Officers
4. Name of Bank + Names of Authorized Signers
5. List of Fundraising Activities for the Authorized Year
6. Evidence of Tax-Exempt Status (IRS Determination Letter)



Returning Clubs Also Submit

7. Any Amendments to Constitution or Bylaws
8. Most Recent Annual Financial Statement:
 - Show all expenditures and income from fundraisers

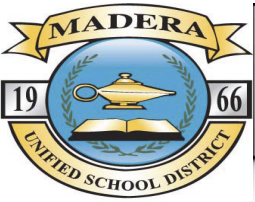




New Clubs Also Submit

7. Completed Application Signed by School Principal
8. Brief Description of Organization's Purpose
9. Copy of Constitution and Bylaws
10. List of Specific Annual Objectives

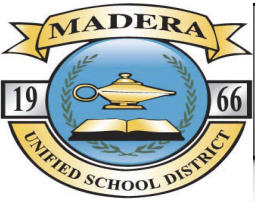




Fund Administration

- Treasurer's books and accounts shall be open for review by the district at any time
- In case Booster club dissolves: provide for the distribution of any excess funds to ASB or the District

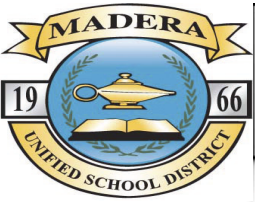




Retention of Records

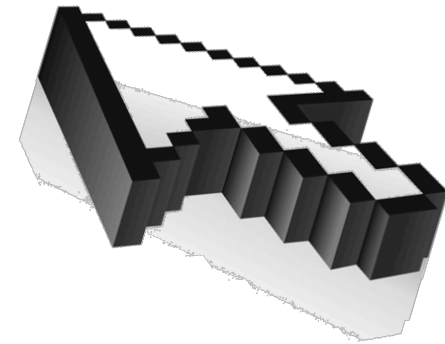
- The following documents are examples of documents that should be retained by the organization:
 - Cash receipts
 - Cash disbursements & general ledger
 - Bank records
 - Income tax returns
 - Minutes of meetings as defined by the organization by-laws

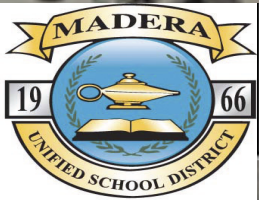




Forms on District Website

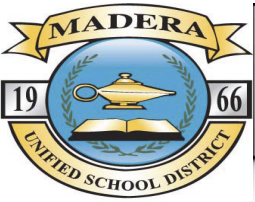
- **www.madera.k12.ca.us**
 - Departments - Business Services
 - Booster Clubs / Parent Organizations
 - Documents
 - Information Sheet
 - Parent Organization-Booster Club Application
 - MUSD Guidelines for Parent Organizations & Booster Clubs
 - Facilities - Use of School Facilities
 - Use of School Facility Form





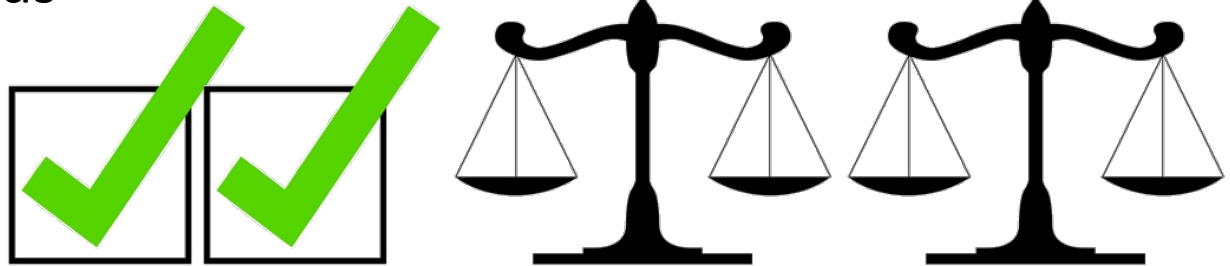
Managing the Money



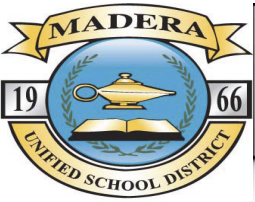


Controls for Booster Clubs

- Proper Controls and Procedures:
 - Protects District, Parents, and Students
 - Safeguards funds



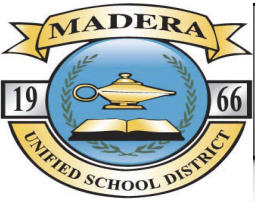
- Booster Clubs are legally separate from ASB and district
- Booster money and ASB funds **MUST NEVER** be comingled
- District needs to approve Booster Club- Parent Group Officers that are school site employees



Internal Controls

- Annual Budget
 - To project expected revenues and expenses
- Treasurer
 - Monthly bank reconciliations
 - Monthly financials
- Financials

Balance Sheet	Income Statement
Cash Receipts	Cash Disbursements
Bank Statements	Bank Reconciliations



Don't Steal

**“When need meets opportunity,
...money goes missing.”**

- **All theft is prosecuted as embezzlement**
- **Above \$400 is grand theft, a felony**



- *You won't "put it back"*
- *You will get caught*
- *You will be prosecuted*



High School Club President Accused of Embezzlement

posted 04/12/10 11:28 pm producer: [Malachi Constant](#)

[VIDEO](#) | [COMMENT](#) | [TWITTER](#) | [FACEBOOK](#) | [PRINT](#) | [EMAIL](#) | [RSS](#) [BOOKMARK](#)

search tags: [embezzlement](#) • [club president](#) • [crew team](#)

WOODBIDGE, Va. - The president of the crew team's booster club at Woodbridge High School in Manassas is accused of embezzling thousands of dollars. Parents received new information on the case Monday evening.

Monday night dozens of concerned parents met behind closed doors at Woodbridge High to discuss how the school's crew team will move forward in the wake of embezzlement allegations made against William Schwentner III, the former president of the team's booster club.

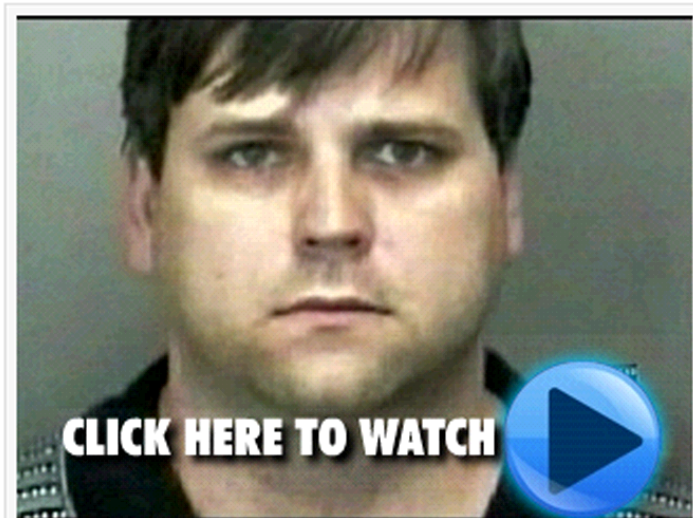
"We have a proud heritage that we are very happy to see our kids carry on in a time of adversity," said parent Ric Thomas.

Prince William County ([web](#) | [news](#)) police tell ABC 7 News that Schwentner has been charged with embezzling around \$2,300.

He reportedly used a Woodbridge crew credit card to buy new cabinets for his kitchen. The story was first reported by the News and Messenger.

Talkback:

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Getting Caught with Theft is Never Easy, Clear Your Theft Charges Now!



Ads by Google

\$ 2,300

Friday, May 7, 2010
Last updated 9:30 a.m. PT



Former Chinook Middle School PTSA treasurer faces embezzlement charges

By JOSHUA ADAM HICKS
BELLEVUE REPORTER

King County prosecutors have charged a former Chinook Middle School PTSA treasurer with felony theft for allegedly stealing over \$63,000 from an account he managed for the group.

Related content

BELLEVUE REPORTER

Former Chinook Middle School
PTSA treasurer faces
embezzlement charges

Charging papers say PTSA board members contacted police in January to request charges against Clyde Hill resident James "David" Glass, who became the group's treasurer in July 2008.

\$ 63,000

GB mom faces probation in school embezzlement case

By Nathan Donato-Weinstein | nathand@goldcountrymedia.com



Angela Lyn Annis

AUBURN — A Granite Bay mother faces a possible three years' probation after pleading no contest to **embezzling money from a parent teacher club bank account** at her children's school.

But a judge on Thursday agreed to delay formal sentencing for Angela Lyn Annis, 44, after her attorney brought up unresolved issues over restitution, saying the PTC now owes her client.

Annis, who was the **club's treasurer**, entered a no contest plea Nov. 21 to a single count of felony embezzlement over \$400. A complaint issued by the Placer County District Attorney's Office Oct. 20 states Annis **appropriated \$40,333** from the Eureka School parent teacher club. She remains free on \$5,000 bail.

Annis' attorney said outside the courthouse Thursday her client made restitution and then some, and is actually owed \$28,000 by the PTC. School officials confirmed at the time of the arrest that Annis had paid at least some of the money back.

"She's overpaid," attorney Monica Lynch said. "Our concern is the PTC is winding down and she wants to make sure the money is refunded."

Annis declined to speak Thursday, but Lynch said her client's actions were the result of economic troubles.

"In desperate times people do desperate things people wouldn't normally do," her attorney, Monica Lynch, said outside the courthouse Thursday. "She did something wrong, tried to make it right, and justice is justice."

Funds were discovered missing when the PTC's president was informed of a bounced check by the club's bank.

\$ 40,000

TEMECULA: Ex-PTA president charged with embezzlement

11:33 PM PDT on Wednesday, April 13, 2011

By SARAH BURGE
The Press-Enterprise

The former president of a Temecula-area Parent Teacher Association charged with embezzling thousands of dollars from the group has pleaded not guilty, court records show.

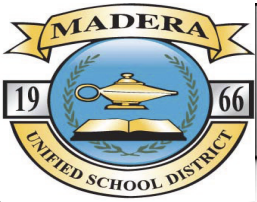
Dusti Lee Brock, a 35-year-old Temecula resident, was asked to resign her positions as president of the Nicolas Valley Elementary School PTA, board member of the Temecula Valley PTA Council and program chairwoman of the Day Middle School PTA after she admitted to fraud in recent months, court records state.

Brock pleaded not guilty Tuesday to embezzlement and grand theft. Reached by phone Wednesday, she declined to comment.

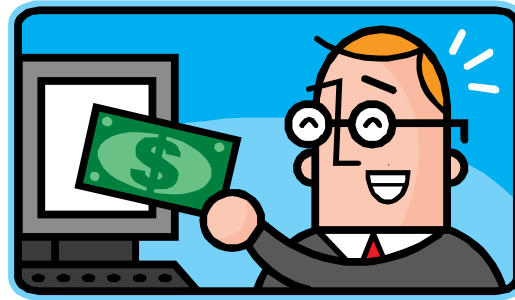
TEMECULA - \$ 7,000



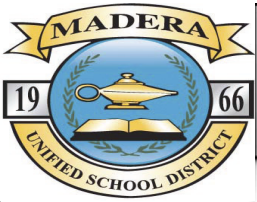
REMEMBER - EVERYONE'S WATCHING



The Buck Stops Here



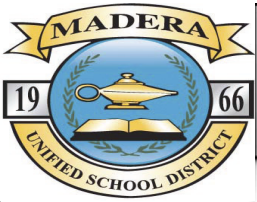
- Most Booster Club fraud is directly related to poor handling of cash and checks
- Good procedures and internal controls discourage theft
- Booster clubs generate a lot of cash
 - Hundreds of thousands of dollars are raised each year for the student programs of Madera Unified School District



Who's Responsible

- Treasurer – must make sure cash handling procedures have been established for all fundraising events
- Adult Volunteers – make sure the established procedures are followed
- Students – follow the established procedures

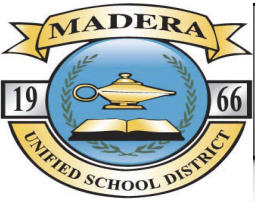




Cash Controls

- Pre-numbered tickets
- Tally sheets
- Cash register
- Pre-numbered 3-part receipt books



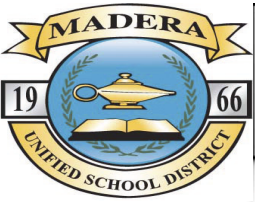


Impromptu Procurements



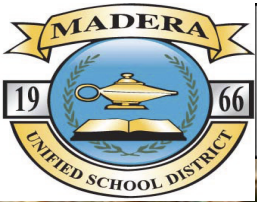
A purchase should never be made from the cash collected

- 100% of the cash collected should be turned in
- If last minute purchases are needed, the volunteer will get reimbursed by the Booster Club Treasurer upon submission of the receipts.



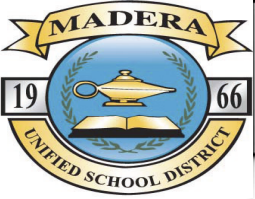
Cash Handling

- Use pre-numbered, three-part receipt books
- Dual cash counting
- Safe storage of monies
- Do not leave money unattended
- Never make purchases from cash
- Deposit all funds timely and regularly
- Use pre-numbered receipts, tickets, etc.
- Utilize cash registers, cash boxes, cash log sheets, etc.



Use of Funds

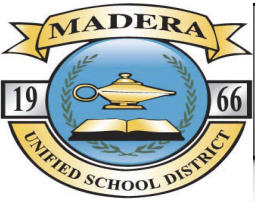




Best Use of Proceeds

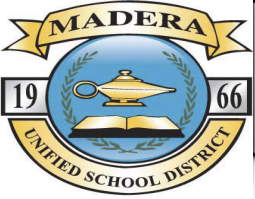
- Cash donations are recommended so that items can be acquired according to statutory laws by the District Business Services Department
- Must benefit the group as a whole instead of benefiting individuals





Non-Discriminatory

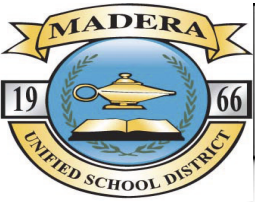
- Membership fees may be used for raising funds but participation fees may not be a requirement of parents or students to participate in school activities
- A student may not be excluded from a booster sponsored event due to their family's lack of contribution to the booster club



Purchases for Schools

- Equipment purchases should be donated to the District
 - Use Proper Donation Form, List Recipient School
- Maintenance department must be consulted prior to purchase of all items requiring installation
- Capital improvements, equipment over \$5,000, must be processed through the District Business Services

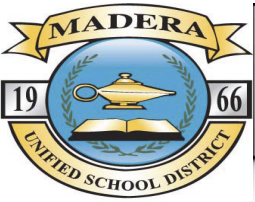




Support Personnel

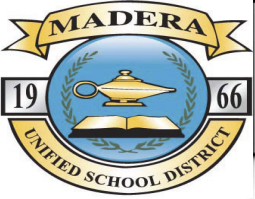
- Booster Clubs/Parent Organizations that wish to pay staff for additional hours and/or extra-curricular services, must hire staff through the District Personnel Services Department
 - Submit a Personnel Requisition
 - Deposit funds to cover employee's salary and benefits





Contacts

- Program Questions:
 - Secondary Schools:
 - Tony Monreal – Deputy Superintendent 675-4500 Ext 269
 - Norma Martinez – Administrative Assistant 675-4500 Ext 269
 - Elementary Schools:
 - Robert Chavez-Chief Academic Officer 675-4500 Ext 246
 - Lorena Rardin – Administrative Assistant 675-4500 Ext 246
- Financial Questions:
 - Teri Bradshaw – Director of Fiscal Services 675-4500 Ext 208
 - Arelis Garcia – Lead Budget & Accounting Analyst 675-4500 Ext 207



Thank You

Additional Questions Comments Feedback

