



# ADMINISTRATIVE PROCEDURE

SAN DIEGO UNIFIED SCHOOL DISTRICT

NO: 9325

CATEGORY: **Community Relations**

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SUBJECT: **Activities by Foundations, Booster Clubs,  
and Other Nondistrict Organizations**

EFFECTIVE: 1-29-62

REVISED: 9-15-04

## A. PURPOSE AND SCOPE

1. To outline administrative procedures governing school site administration’s interaction with foundations, booster clubs, and other nondistrict organizations and fund-raising activities sponsored by organizations not directly under the control of school authorities; and regulation of fund-raising activities jointly sponsored by nondistrict organizations and organizations directly under the control of school authorities.
2. **Related Procedures:**

ASB food sales .....	2270
Civic center use of buildings, groups, and equipment .....	9205
School clubs, general .....	6240
Shoes and clothing .....	6330
Student body fund-raising .....	2265
Winter holiday assistance projects .....	6335
3. Limitations on storage of combustible materials such as paper collected in paper drives are covered in Procedure 5105.

## B. LEGAL AND POLICY BASIS

1. **Reference:** Board policy: D-4010, D-6700, F-3800, H-8650, H-8800, I-1200, I-1210, K-6000, K-6500, K-9100, K-9500; Education Code Sections 51520, 51521; Internal Revenue Service Code Section 501.
2. **Policy.** The district shall not endorse or recommend any commercial product or service except in cases where the board has approved an exclusive vendor.
3. **Solicitations on School Premises**
  - a. **Generally, solicitation of students on school premises is prohibited by Education Code Section 51520, which states:**

During school hours, and within one hour before the time of opening and within one hour after the time of closing of school, pupils of the public school shall not be solicited on school premises by teachers or others to subscribe or contribute to the funds of, to become members of, or to work for, any organization not directly under the control of school authorities . . . .

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b. **Exceptions (nonschool groups).** As stated in Education Code Section 51520:

. . . unless the organization is a nonpartisan, charitable organization organized for charitable purposes by an act of Congress or under the laws of the state, the purpose of the solicitation is nonpartisan and charitable, and the solicitation has been approved by the county board of education or by the governing board of the school district in which the school is located.

c. **An organization seeking authorization** to solicit pursuant to B.3.b., as a charitable organization, must present a letter or certificate issued by Internal Revenue Service pursuant to Section 501 of Internal Revenue Code.

d. **Granting or denial of permission** to an organization to solicit pursuant to B.3.b. of this procedure shall be based upon consideration of the following criteria:

- (1) The purposes of the fund-raising activity must be nonpartisan, nonpolitical, nonsectarian, and nondenominational in nature.
- (2) The manner in which the fund-raising activity will be conducted (e.g., demand made on staff time and district materials must be minimal, and the activity must not encroach on instructional time).
- (3) Identification of the sponsors, officers, and individuals participating in the fund-raising activity.
- (4) Disclosure of the identity and location of any “parent” organization with which the soliciting organization is affiliated or of which it is a subsidiary.
- (5) School/community and school/parent relation aspects of specific fund-raising activities.

e. **Nothing in this section shall be construed** as prohibiting solicitation of students of the public schools on school premises by students of that school for any lawful purpose (Education Code Section 51520).

4. **Solicitations on Behalf of a School**

a. **Generally, solicitation on behalf of a school is prohibited by Education Code Section 51521, which states:**

No person shall solicit any other person to contribute to any fund or to purchase any item of personal property, upon the representation that the money received is to be used wholly or in part for the benefit of any public school or the student body of any public school. . . .

The prohibitions of this section shall not apply with respect to any solicitation or contribution the total proceeds of which are delivered to a public school, nor to a solicitation of a transfer to be effected by a testamentary act.

b. **Exception:** The prohibition contained in B.4.a. shall not apply to any solicitation receiving prior approval of the superintendent as the governing board's designee or of the superintendent's designee.

c. **In granting or denying an application** of any person to engage in fund-raising activities the principal shall consider the following criteria:

- (1) The purposes of the fund-raising activity, which must be nonpartisan, nonpolitical, nonsectarian, and nondenominational.
- (2) The manner in which the fund-raising activity will be conducted (e.g., demand made on staff time and district materials must be minimal, and the activity must not encroach on instructional time).
- (3) Identification of the sponsors, officers, and individuals participating in the fund-raising activity.
- (4) Disclosure of the identity and location of any "parent" organization with which the soliciting organization is affiliated with or of which it is a subsidiary.
- (5) School/community and school/parent relation aspects of specific fund-raising activities.

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## **C. GENERAL**

1. **Originating Office.** Suggestions or questions concerning this procedure should be directed to the Office of General Counsel, Office of the Superintendent.
2. **Definitions**
  - a. **Organizations directly under the control of school authorities:** The Associated Student Body organization at a particular school and those school clubs or groups approved under Procedure 6240.
  - b. **Money received is to be used, wholly or in part, for the benefit of any public school or the student body of any public school:** A fund-raising activity from which 50 percent of the profits received are to be returned to a particular school, or to an organization (of a particular school) directly under the control of school authorities. The PTA/PTSA shall not be required to provide 50 percent of the profits of the fundraiser to the control of the school. PTA/PTSA funds are annually audited to ensure that expenditures, wholly or in part, benefit the school or student body of the school.
  - c. **Nonprofit organization, PTA, PTSA, foundation, association, or booster club:** Is an entity that exists and operates independently of the district.
3. **Regulations**
  - a. **District endorsement.** Since the district shall not endorse or recommend any commercial product or service except in cases where the board has approved an exclusive vendor, staff members should inform the principal about any collection or drive that claims to have the sanction of the district.
  - b. **District employees**
    - (1) In their capacity as district employees, have no authority to work for a nonprofit organization during their district hours. However, a district employee in that capacity and during duty hours could interact with such an organization when required to discharge his/her duties as a district employee.
    - (2) Will not be employed by a nonprofit organization, foundation, or booster club without prior approval from the district's Human Resource Services Division.

- (3) A district employee, acting in his/her personal capacity and personal time, would be free to establish such an organization, or to participate in its operation or activities. The employee should ensure that participation in any particular nonprofit organization endeavor does not present a conflict of interest with respect to the discharge of his/her duties as a school employee. The employee should also make it clear that his/her participation is in his/her personal capacity and not as a district employee.
- c. **A nonprofit organization that solicits or raises funds** on behalf of the district shall provide a copy of the fund-raising activity's income and expense reports and shall grant to the Board of Education the right to audit their financial records at any time either by district audit personnel or by an outside auditor.
- d. **The district's tax exempt status and Federal Identification** number are not for the nonprofit organization, foundation, or booster club's use.
- e. **The nonprofit organization, foundation, or booster club's** funds and accounts shall be kept completely separate from Associated Student Body accounts. The organization shall be responsible for their own bookkeeping and accounting. District employees shall not be authorized signers on the organization's bank accounts.
- f. **Request to conduct a fund-raising activity.** Organizations and individuals requesting permission to conduct a fund-raising activity must complete and submit a "Request For Approval Of Fund-Raising Activity By A Nondistrict Organization" form (E.1.) to the principal.
- g. **Response to request to conduct fund-raising activities** at a particular school pursuant to Education Code Section 51521 (B.4.b.).
- (1) Before any nondistrict organization may participate in fund-raising activities, sponsorship is required by an organization directly under the control of school authorities.
- (2) Approval of the principal must be received prior to initiation of any fund-raising activities at a school by a nondistrict organization.
- h. **Response to request for districtwide collection or drive**
- (1) Districtwide projects may be authorized only by the Board of Education. Requests for districtwide participation in collections or drives must be

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submitted, in writing, to the Board of Education for consideration at a regular board meeting

- (2) Participation by individual schools may be left to the discretion of the student body organization and the principal.
- (3) Principals and ASB advisers receiving fund-raising materials that might have districtwide implications or involvement should forward such materials to General Counsel with comments, if any. General Counsel will determine the legality, appropriateness, and possible interest by other schools, and will contact the organization to advise it of necessary steps to obtain districtwide approval of the collection or drive.

i. **Nondistrict organizations with standing authorization to conduct collections or drives**

- (1) Red Cross organizations, by virtue of their form of organization and sponsorship, shall be deemed to be under the jurisdiction of the district, and therefore are authorized agencies.
- (2) PTA membership drives are authorized as an exception to Education Code Section 51521. Children are permitted to take membership envelopes home and return membership fees to school.

j. **Fund-raising activities held at a school for the benefit**, in whole or in part, of that school or of any organization directly under the control of school authorities, must be sponsored by an organization directly under the control of school authorities.

- (1) All financial transactions made in any school must pass through the school office. The principal shall control all collections, deposits, and expenditures of monies, whether the transaction is by cash or by check.
- (2) Monies collected shall be deposited to the account of the sponsoring organization, which in turn shall process through the ASB account a check

payable to the ultimate beneficiary of the fund-raising activity or to the sponsoring nondistrict organization. A record of authorization of such payment shall be entered into official minutes of the sponsoring district organization.

## D. IMPLEMENTATION

### 1. Site Interaction With Nonprofit Organization

- a. **Principals** meet with foundation, booster club, or other nonprofit organization president, officers, and advisors at the beginning of school year.
- b. **Obtain a copy** of the organization's determination letter or certificate of nonprofit status pursuant to Internal Revenue Service Code Section 501.
- c. **Explain how the school's calendar of activities operates**, who must be contacted to place events on the calendar, and when and how events are placed on the calendar.
- d. **Explain school regulations** regarding use of facilities as stated under Procedure 9205.
- e. **Explain district regulations and procedures** related to fund-raising activities during the school day when school personnel and students are involved.
  - (1) Instructional activities shall not be utilized concurrently as fundraising activities (e.g. Jogathon during Physical Education, Readathon during Literacy Period).
  - (2) Explain that nonprofit organization, foundation, or booster club funds and accounts are to be kept completely separate from student body account.
  - (3) The school district's tax exempt status and Federal Identification number are not for their use.
  - (4) The organization is responsible for its own tax status, bookkeeping and accounting.
  - (5) School personnel are not to serve as organization officers.
  - (6) School personnel are not authorized to sign on the organization's bank account(s).
- f. **Explain the type of student trips** that require administration and/or board approval.

- g. **Obtain the names, addresses, and telephone numbers** of all organization officers and a brief description of their job responsibilities.
  - h. **Explain that activities planned by the organization** shall only be permitted if properly scheduled according to the rules of the school.
  - i. **Inform the organization that they are required** to provide a copy of income and expense reports for all fundraisers conducted on behalf of the school.
  - j. **Explain to the organization that they are required** to grant to the Board of Education the right to audit their financial records at any time by either the district's internal auditors or by an outside auditor.
  - k. **Explain that the organization may not hire** district employees without prior approval from the district's Human Resource Services Division.
2. **Fund-raising Activities**
- a. **Requesting organization or individual** completes a "Request for Approval of Fund-raising Activity by a Nondistrict Organization" form and submits to the principal.
  - b. **Principal performs all of the following;**
    - (1) If a request for sponsorship of a collection or drive is submitted by Associated Student Body or by an approved school club or group, determines if collection or drive affects only his/her school.
    - (2) Evaluates request relative to regulations, criteria, and limitations outlined in B. and C. and recommends approval or disapproval. Signs the form and provides a copy of the signed form to the requesting organization or individual.
    - (3) Notifies parents/guardians of the specific fundraising groups their memberships, purpose and goals as well as any fundraising event(s) planned for the year.
    - (4) Notifies parents/guardians of their right to opt their child out of participation in any fund-raising event.
    - (5) Notifies instructional leader of all fund-raising events for the school year.



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- (6) Maintains official file at the school site, which should include parent notification, a copy of the signed approval form and any other related documents. It is recommended that the documents remain on file for at least one school year.

**E. FORMS AND AUXILIARY REFERENCES**

1. Request For Approval Of Fund-Raising Activity By A Nondistrict Organization, Attachment 1

**F. REPORTS AND RECORDS**

**G. APPROVED BY**

*Kerry B. Flanagan*

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Chief of Staff, Kerry Flanagan  
For the Superintendent of Public Education