



ADMINISTRATIVE PROCEDURE

CATEGORY: Community and Public
SUBJECT: Fundraising Activities by Nondistrict Organizations
(No School Proceeds)

A. PURPOSE AND SCOPE

1. To outline administrative procedures governing school site administration’s interaction with nondistrict organizations who seek to fundraise for a purpose other than for the school or district.
2. **Related Procedures:**
 - Civic center use of buildings, groups, and equipment 9205
 - Fundraising Activities by Foundations, Booster Clubs and Other Organizations 9325
 - Shoes and clothing 6330
 - Student body fundraising 2265
 - Winter holiday assistance projects 6335

B. LEGAL AND POLICY BASIS

1. **Reference:** Board policy: D-6700, H-8650, H-8800, I-1200, I-1210, K-6000, K-6500, K-9500; Education Code sections 51520, 51521; Internal Revenue Code section 501.
2. **Policy.** The district shall not endorse or recommend any product or service, commercial or otherwise, except in cases where the board or its designee has approved an exclusive provider.
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.
 - b. **Exceptions (nondistrict organizations).** 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. **A nondistrict 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 a nondistrict 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 fundraising activity must be charitable, nonpartisan, nonpolitical, nonsectarian, and nondenominational in nature.
 - (2) The manner in which the fundraising activity will be conducted (e.g., demand made on staff or instructional time and district materials must be minimal). Any fundraiser conducted during instructional time must have instructional value as determined by the site principal.
 - (3) Identification of the sponsors, officers, and individuals participating in the fundraising 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 fundraising 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)

C. GENERAL

1. **Originating Office.** Suggestions or questions concerning this procedure should be directed to the Legal Services Office.
2. **Definition. Nondistrict organization:** a PTA, PTSA, nonprofit organization, foundation, association, or booster club that exists and operates independently of the district.
3. **Regulations**

SUBJECT: Fundraising Activities by Nondistrict Organizations (No School Proceeds) **NO:** 9326
PAGE: 3 OF 6
EFFECTIVE: 10-17-12
REVISED: 5-31-13

- a. **District endorsement.** Since the district shall not endorse or recommend any product or service, commercial or otherwise, except in cases where the board or its designee has approved an exclusive provider, 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 nondistrict 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 nondistrict organization 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 nondistrict 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 nondistrict organization that solicits or raises funds** on behalf of itself shall provide a copy of the fundraising 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 nondistrict organization's use.
- e. **The nondistrict organization's** funds and accounts shall be kept completely separate from school or Associated Student Body accounts. The organization shall be responsible for their own bookkeeping and accounting.
- f. **Response to request for districtwide collection or drive**
 - (1) Districtwide projects may be authorized only by the Board of Education or its designees. Requests for districtwide participation in collections or drives must be submitted, in writing, to the Board of Education for consideration or ratification 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 fundraising 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.
- g. **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.

D. IMPLEMENTATION

- 1. **Site Interaction With Nondistrict Organization**
 - a. **Principals** meet with nondistrict 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 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 fundraising activities during the school day when school personnel and students are involved.
 - (1) Explain that nondistrict organization's funds and accounts are to be kept completely separate from school and student body accounts.

SUBJECT: Fundraising Activities by Nondistrict Organizations (No School Proceeds) **NO:** 9326
PAGE: 5 OF 6
EFFECTIVE: 10-17-12
REVISED: 5-31-13

- (2) The school district's tax exempt status and Federal Identification number are not for their use.
 - (3) The organization is responsible for its own tax status, bookkeeping and accounting.
 - f. **Obtain the names, addresses, and telephone numbers** of all organization officers and a brief description of their job responsibilities.
 - g. **Explain that activities planned by the organization** shall only be permitted if properly scheduled according to the rules of the school.
 - h. **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.
 - i. **Explain that the organization may not hire** district employees without prior approval from the district's Human Resource Services Division.
2. **Fundraising Activities**
- a. **Requesting organization or individual** completes a "Request for Approval of Fundraising Activity by a Nondistrict Organization (No School Proceeds)" form and submits to the principal.
 - b. **Principal performs all of the following;**
 - (1) Evaluates request relative to regulations, criteria, and limitations outlined herein and recommends approval or disapproval. Signs the form and provides a copy of the signed form to the requesting organization or individual.
 - (2) Verifies that any fundraiser conducted during instructional time has instructional value.
 - (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 fundraising.
 - (5) Notifies Superintendent, Area Superintendents and Chief Financial Officer of all fundraising events for the school year.

SUBJECT: Fundraising Activities by Nondistrict Organizations (No School Proceeds) **NO:** 9326
PAGE: 6 OF 6
EFFECTIVE: 10-17-12
REVISED: 5-31-13

- (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 required that the documents remain on file for at least three school years.

E. FORMS AND AUXILIARY REFERENCES

- 1. Request For Approval Of Fundraising Activity By A Nondistrict Organization (No School Proceeds), Attachment 1

F. REPORTS AND RECORDS

G. APPROVED BY



General Counsel, Legal Services
As to form and legality

H. ISSUED BY



Chief of Staff