



Guidelines for Parent Booster Clubs and Parent Organizations

Jurupa Unified School District

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Welcome and Note to Parents

Dear Booster and Parent Club Officers and Members,

On behalf of Jurupa Unified School District (JUSD), we would like to thank you for volunteering your time and service to an organization which enhances the learning experiences offered in our schools. It is people like you who make a difference in the lives of our students.

JUSD recognizes that the management of a booster club can be very challenging. Every booster club is an independent, non-profit organization which must abide by all applicable federal, state and local laws.

These guidelines are provided as a tool for parents and community members. They contain pertinent information required to start or continue to operate an authorized school-connected organization (booster, PTA/PTO) within our district. While these guidelines comply with the District's Board Policy and Administrative Regulation 1230 and 1230.1, they are not intended to be a complete resource for all aspects of the management of a booster club or parent organization.

We hope that you find these guidelines useful. If you have any questions, please feel free to reach out to the site Principal of your school for more information and/or training opportunities.

This manual contains several links to supporting websites and documents. To access all resources, enter the following link in your browser:

<https://jurupausd.org/our-district/BizServ/fiscal/Pages/Parent-Boosters-&-PTA's.aspx>

Sincerely,

Paula Ford
Assistant Superintendent of Business Services
Jurupa Unified School District

What is a Booster Club?

Booster clubs and other parent organizations including Parent Teacher Associations (PTA's) and/or Parent Teacher Organizations (PTO's) (collectively referred to as "booster clubs"), provide financial support and assistance to help achieve the common goals of the booster club and school programs.

Booster clubs have many purposes including, but not limited to:

- purchasing supplies for the school
- supporting extracurricular programs
- facilitating field trips
- supporting educational programs

Booster clubs are not legal components of the school district. They are their own nonprofit school-connected organization. Booster clubs are responsible for their own formation, governance, accounting, tax returns, and insurance liabilities. The booster club must maintain a separate legal address from the school and must not use the school's address for correspondence.

Booster clubs are not to be confused with Associated Student Body (ASB) organizations. The main difference is that ASB's are comprised of and are governed by students. The ASB finance office, club advisors and students must follow the procedures set by the school district. Booster clubs should serve as supplementary support to the school programs, with all fundraising activities and operations being provided by parents and other adult community members.

At their discretion, employees may volunteer to perform activities for school-connected organizations during nonworking hours only. For more details, please refer to the section titled, "School District Employees and Interaction".

Alternatives to Forming a Booster Club

Establishing and maintaining a Booster Club can be complicated and require significant volunteer time and effort. If you are only looking to perform a single fundraiser or only intend to operate for a short period of time, it may not be worthwhile to go through the organizational process of starting a new non-profit organization.

There are alternatives to starting a new booster club. You may want to consider some of the following options:

- Many schools already have an existing PTA/PTO organization in which you can volunteer.
- You may want to partner with an existing PTA/PTO organization to perform fundraising activities for your desired purpose and have the PTA/PTO donate the funds to the school.
- You may want to volunteer for the school to help fundraise at school-sponsored fundraising events under the direction of the Principal.
- If there is an existing ASB club that is run by students, you may be able to volunteer to help the ASB with their fundraising activities, working with the Club Advisor or Coach.
- If your main intent is to provide a monetary donation, the school site is equipped to accept donations from outside parties. You may direct the donation for a specific purpose; this is called a restricted donation. All restricted donations are subject to review and acceptance by the Governing Board. If the donation is specified for a facilities or technology improvement, the district will need to review the donation in order to ensure that the item will integrate with existing technology and/or that the facility upgrade can be completed as per the state of California architectural requirements.

Part I - Formation of the Booster Club

Step 1 - Preliminary Approval from Site Administration

The very first step in forming a booster club includes reaching out to the school site Principal to express your desire to form a school-connected organization and to provide some preliminary information as to the purpose of the club. It is possible that there may be an existing PTA or Booster Club that is addressing a similar purpose. If that is the case, it is much easier to partner with an existing organization than it is to create and maintain a new organization.

The site Principal is the Superintendent's designee to approve school-connected organizations. Before going through the legal process of forming a new organization, it is highly recommended to meet with the school Principal for preliminary approval.

Step 2 – File Articles of Incorporation

Articles of Incorporation are required to be filed with the State of California. Instructions and fillable PDF Articles of incorporation can be found on the California Secretary of State website at: <https://www.sos.ca.gov/business-programs/business-entities/forms/>. Select the option for “Articles of Incorporation – Nonprofit Public Benefit” which is Form ARTS-PB-501(c)(3). The 2019 form is also included in this handbook in the Exhibits.

Follow the instructions and file the Articles of Incorporation accordingly.

Step 3 – Draft and Adopt Bylaws

The parent group will need to meet, agree, draft, and vote to adopt Bylaws for the organization. Bylaws are necessary as they determine how the entity runs on a daily basis. The Bylaws also explain the responsibility of the entity's board, officers and committee heads. A sample bylaws document is available on the JUSD website at: [Jurupausd.org/ Our District/ Business Services/ Fiscal Services/ Parent Boosters](http://Jurupausd.org/OurDistrict/BusinessServices/FiscalServices/ParentBoosters)

Minimally, the Bylaws should include 10 elements:

1. Official name and purpose of the organization
 - a. Executive Board or Officers (President, Vice Pres, Secretary/Clerk, Treasurer)
 - b. Positions and duties of each position defined
 - c. Term limits of officers
2. Duties and powers of Executive Board and Officers
3. Membership composition and any desired committees
4. The composition and membership of any desired committees (i.e. audit committee)
5. Elections and qualification for office

6. Finances
 - a. Who shall authorize financial activities?
 - b. How and when shall audits be conducted?
 - c. Other information regarding controls over finances.
7. Meeting schedule
 - a. Time, manner, frequency
 - b. What constitutes a quorum?
 - c. Who shall conduct meetings?
8. Method of any amendments to the By-Laws
 - a. By whom
 - b. Advance notification of change
9. Termination or Dissolution

Step 4 – Apply for a Tax Identification Number and Tax-Exempt Status

Many booster clubs wish to obtain tax exempt status. The term “tax exempt” generally refers to an organization that is exempt from Federal taxes under section 501(c)(3) of the Internal Revenue Code. In order for a booster to provide receipts to donors as a "charitable tax-deductible donation" the organization must be officially approved by the IRS and the State of California as a 501(c)(3) tax-exempt organization. State and Federal forms must be completed at each of the following websites:

Tax Identification Number

Form 1 SS-4, "Application for Employer Identification Number"

Instructions and Fill-in Form: <https://www.irs.gov/pub/irs-pdf/fss4.pdf>

Federal Tax-Exempt and Non-Profit Status

IRS Publication 557, "Tax-Exempt Status for Your Organization"

<https://www.irs.gov/pub/irs-pdf/p557.pdf>

Package 1023, "Application for Recognition of Exemption under Section 501 (c)(3) of the Internal Revenue Code" Includes form 1023, instructions for form 1023, and form 872-C:

<https://www.irs.gov/charities-non-profits/form-1023-contents-of-package-1023>

State Tax Exempt and Non-Profit Status

California Forms and Instructions Form 3500 Booklet, "Exemption Application Booklet"

<https://www.ftb.ca.gov/file/business/types/charities-nonprofits/index.html#Apply-for-or-reinstate-your-tax-exemption>

The California Office of the Attorney General (OAG) requires nonprofit organizations to register within 30 days. Registration Form CT1 and annual reporting RRF1 is required. See the website for more details: <https://oag.ca.gov/>

Registration: <https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/charitable/ct1-form.pdf>

Annual Report: <https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/charitable/rrf1.pdf>

Step 5 – Open a Bank Account

The booster club Board will need to take action in a regular board meeting to open a bank account. The motion/action should indicate which banking organization, who the authorized signers will be, and require a minimum of two to three authorized signers on the account, with each check requiring two of the three signatures (the third signer can be helpful if one of the two main signers is not available). The action should also indicate if the Board authorizes anyone to be issued a debit card, or prohibits it. In general, debit cards and credit cards are high-risk for fraudulent transactions and embezzlement and should be avoided. Once this action is documented in the board minutes, contact the banking organization to find out their requirements to open a bank account. Many banks will require copies of the articles of incorporation, bylaws, EIN, proof of 501(c)3 status, and minutes. Each banking entity is different and may have different requirements. Complete the banking requirements and obtain checks for the checking account so that operations may commence.

Step 6 – Obtain Liability and Property Insurance

The booster club Board will need to take action to obtain liability and property insurance. Booster clubs are independent from the district and are required to maintain their own insurance policies.

All booster clubs are required to purchase commercial general liability insurance protection for booster club events on and off campus which will protect against claims for bodily injuries or property damage. When using school facilities, the club must submit a certificate of insurance that includes liability and property damage and names Jurupa Unified School District as additionally insured.

Liability insurance does not apply to automobile accidents or damage to the organization's property or the property of its members. While not required, there are other types of insurance coverage that may be beneficial to your organization including *Officers Liability Insurance* and *Fidelity Insurance*. It is recommended that booster clubs contact an insurance professional for information about obtaining adequate coverage for their specific needs.

Step 7 - Application for School and District Approval

Once the organization is officially formed, complete the Jurupa USD application and instructions included in the exhibits of this handbook. Submit the packet to the school site Principal. If approved, authorization is valid for a period of one school year (July 1 – June 30). The application must be updated and re-submitted to the school each school year for re-authorization. The District retains the right to revoke authorization for any reason. Once you have received final approval from the District, you may commence fundraising and other operational activities.

Part II – Operating a Booster Club

Fundraising Activities

In accordance with Education Code Section 51521, programs, fundraisers, or other activities sponsored by booster and parent organizations must be authorized and conducted according to local board policy, laws, and school rules. The following are guidelines for booster/parent organizations fundraising activities within the district:

1. Use of the district's/schools' name in fundraising activities should be approved by the school principal/designee and comply with district policies and state law.
2. Students shall not be involved in fundraising activities except as volunteers for the booster organization and in accordance with California Education Code 51520, which limits solicitation of pupils on campus during the instructional day.
3. All booster funds are collected and maintained by the organization. The district's tax identification number cannot be used. No booster funds shall be kept in ASB or district accounts.

Raffles, Opportunity Drawings or Games of Chance

Penal Code Sections 320 and 320.5 authorizes, under defined circumstances, eligible organizations to conduct raffles which require the payment of a fee for a chance to win a prize. Public schools are not "eligible organizations to hold raffles" but parent organizations with a 501(c)(3) status are. Information on how to conduct a raffle can be obtained from the California Attorney General's website: www.ag.ca.gov. A few basic guidelines include:

- At least 90% of the proceeds must go to the organization (50-50 drawings are illegal)
- Opportunity drawings must have a general and indiscriminate distribution of tickets. All tickets are offered on the same terms and conditions as the tickets for which a donation is given **AND** a ticketholder does not have to pay to win.

Food Sales

Booster organizations must comply with state and federal law as well as all district regulations on the sale of food on school premises. Food sales can only be held thirty (30) minutes before or after the school day. Booster organizations are encouraged to review and become knowledgeable of applicable laws including county food handling laws, state and federal nutritional standards, and district policies. If you have any further questions about food sales or the corresponding state and federal requirements, please contact the Jurupa USD Nutrition Services Department, Mike Bynum (951) 360-2766

School District Employees and Interaction

School employees are not employees of the booster club, and the booster club should be aware of the following:

- While serving as district employees, they have no authority to work for the booster club during their district work schedule. A district employee acting in his or her official capacity and during work hours may interact with booster club officials when this is a required part of his or her duties as a district employee. For example, an athletic director working with the sports booster to discuss funding for an upcoming sporting event.
- If a district employee would like to be employed by the booster club, the employee must obtain prior approval from the district's human resources department.
- If a district employee is also employed by a booster club, the district may require that the employee be paid by the district (through the district payroll system), with the district being reimbursed by the booster club for the full cost.
- A district may require that an employee chosen to work for a booster club be hired and cleared for work through the district's human resources office.
- A district employee who acts in their personal capacity and on their own personal time is free to establish a booster club or to participate in it. The employee must ensure that participation in the booster club does not present a conflict of interest with their duties as a school employee. Districts need to make employees aware that their participation in booster activities are on a personal capacity and not as a district employee. Therefore, the employee will not receive any employment benefits such as workers' compensation.

Use of School Facilities

A Facility Use Request form should be submitted one month before the intended activity. All organizations are required to provide a certificate of insurance that includes liability and property damage coverage, and names the District as additionally insured. You can find the form, along with a list of fees and other regulations on the district web site:

Facility Use Request: [Jurupa USD Facility Use Request](#)

Board Policy 1330: [Jurupa USD Board Policy 1330](#)

Administrative Regulation 1330: [Jurupa USD Admin Regulation 1330](#)

Purchases for Schools

- A. All purchases shall be donated to the school in accordance with board approved policies and procedures.
- B. Staff may make requests through their principal or designee to the booster club or parent organization for desired donations from PTA/PTO and Booster clubs.
- C. The maintenance department must be consulted, prior to purchase, on all items requiring installation. The business division must be consulted on the purchase of items requiring a maintenance contract.
- D. Any capital improvements, technology equipment, other equipment valued at over \$7,500, and uniforms may only be purchased with the prior approval of the Principal and the Business Services and/or Facilities Departments. These purchases must be processed through the district's Purchasing Department to ensure compliance with statutory laws. Organizations may donate the funds to the district for the purchase of such capital improvement items. If the donation is specified for a facilities or technology improvement, the district will need to review the donation in order to ensure that the item integrates with existing technology and/or that the facility upgrade can be completed as per the State of California architectural requirements.

Funds raised by booster organizations are to be used to support programs; however, **no student will be required to raise funds in order to participate in school programs and events.** There is no "pay to play" in California schools and booster clubs cannot require parents to contribute or fundraise in order to participate in school activities. Additionally, the California Constitution provides for a free public school system. **Students cannot be charged mandatory fees or charges as it relates to K-12 education.**

Any profits from fundraising activities that are not spent for the booster club's exempt purpose **cannot be returned** to its members or families. In addition, funds shall not be deposited to the school and then directed to individual students or families. This is considered a gift of public funds and is prohibited by the California Constitution.

Financial and Accounting Requirements

Booster clubs are responsible for ensuring that proper internal controls exist for all of their financial activities. In accordance with its bylaws, each booster club should elect a treasurer who is assigned responsibility for recording, documenting and organizing all financial activities.

Booster clubs should adhere to sound business practices and maintain adequate systems of control. These include, but are not limited to, the following:

Financial Statements and Treasury

The treasurer or designated officer should prepare monthly financial statements that are presented to the organization along with a copy of the most current bank statement and reconciliation. Financial statements may include cash receipts, cash disbursements, checking account beginning and ending balances, balance sheets, income statements and other relevant items. A budget should be developed at the beginning of the year to project expected revenues and expenses and should be reviewed frequently and revised as needed. An auditor who is independent of the treasurer should be appointed and should report directly to the booster club board. The auditor should review all the financial records, journals, check registers, invoices, receipts, bank statements, and other financial information at least annually.

Cash Receipts and Bank Reconciliation

Use pre-numbered receipt books and maintain supporting backup documentation. Ensure preparation of duplicate deposit, cash count, and fund-raising forms. Bank deposits should be made intact and in a timely manner. Someone other than the individual(s) responsible for depositing funds and writing checks should perform bank reconciliations monthly.

Booster clubs are required to maintain their own bank accounts. Funds should not be comingled with personal funds and/or deposited into personal bank accounts.

Cash Disbursements

Purchases should be approved in advance by the board and evidenced in the board meeting minutes. Checks should require a minimum of two signatures. Backup for the check (i.e. copy of invoice) should be provided and reviewed at the same time that the check is being signed by the appropriate check signer(s).

Sales Tax Requirements

Nonprofit organizations are not exempt from collecting sales tax. Consult Tax Tips Pamphlet No. 18, "Sales and Use Tax Guide for Volunteer and Nonprofit Fundraising Organizations" to determine what may and may not be taxable, and how to file and report sales taxes.

<https://www.cdtfa.ca.gov/formspubs/pub18.pdf>

Audits and Audit Committee

The treasurer's books and accounts shall be open to audit by a committee of booster members. An audit of the booster club's financial records should be conducted at the conclusion of each fiscal year. The audit committee should be composed of individuals who are independent of day-to-day financial activities. Once completed, the audit committee should report to the Booster board and general membership as to any findings or considerations discovered in the audit. Any discrepancies noted shall be brought to the attention of the president of the organization and a resolution reached and implemented. All officers of the organization shall make records available, as requested by the committee. As an alternative to an audit committee, an audit may be conducted by an outside party, such as a CPA.

As per Jurupa USD Board Policy and Administrative Regulation 1230, at any time, the district may request (and the organization shall grant) the right to audit the group's financial records, either by district personnel or a certified public accountant, whenever any concern is raised regarding the use of the funds.

Retention of Records

Since voluntary organizations often suffer from frequent turnover of officers and members, it is important that the activities of the organization be clearly documented and that a procedure for retaining those documents be established. Records must be retained for every financial transaction and those records must support the revenues, expenses, assets and liabilities on the organization's annual 990 return. Some examples of records include receipt books, invoices, bank statements, general ledger and financial reports, income tax returns and minutes of board meetings. These types of records should generally be kept for at least seven years after the close of the organization's fiscal year and filing of the final tax return (check with the IRS www.IRS.gov for more specific record retention requirements). Permanent records such as Articles of Incorporation or the IRS Determination Letter should be kept permanently.

It is recommended that the organization obtain a safety deposit box or a similar storage facility to ensure security of important documents.

Termination or Dissolution of the Booster Organization

Upon dissolution of the booster organization, all funds shall be transferred to the respective school's general student body funds. The organization maintains responsibility for filing all final tax returns and appropriate documentation with the State and Federal authorities to officially close the organization and cease all operations.

Exhibit 1

FINANCIAL INFORMATION

Name of Bank:

Authorized Signers:

Address of Bank:

Booster Tax ID # (EIN)

REQUIRED DOCUMENTS**Attach Copies**

- Booster Club/Parent Organization Constitution & Bylaws (if new or revised)
- Hold Harmless Agreement signed by president
- Acknowledgement form signed by each officer
- Annual budget
- Annual Financial Statement (if returning organization)

APPROVAL

This certifies you have satisfied all sections of the Jurupa Unified School District Application for booster club / parent organizations. Authorizations are granted per school year. An application must be submitted annually.

Signature School Site Administrator: _____ Date: _____

Printed Name: _____

Authorized to operate for school year: _____

Parent Organization/Booster Club Budget

School Year: _____

REVENUES:

Description of Fundraising/Income Generating Activity	Amount

A. Total Revenues: _____

EXPENSES:

Description	Amount

B. Total Expenses: _____

C. Net Profit (A-B): _____

Balance Sheet:

Beginning Balance: _____

+ A. Total Revenues: _____

- B. Total Expenses: _____

Ending Balance: _____



JURUPA UNIFIED SCHOOL DISTRICT

Booster Club/Parent Organizations Acknowledgement

As an elected officer to a booster club/parent organization operating within the Jurupa Unified School District, I certify that I have read the Jurupa Unified School District Guidelines for Parent Booster Clubs/Parent Organizations. I understand the requirements and procedures outlined in the Board Policy and Administrative Regulation 1230, the Parent Booster Club Guidelines Manual, and agree to adhere to all requirements. At any time should I have questions regarding policies or procedures, or the information outlined in these polices and/or guidelines, I will contact the school site administration for clarification or further instruction. I further understand that the information provided in the manual is not intended to be specific or all inclusive. It is the responsibility of the booster club/parent organization to fully understand all laws that govern the operation of the organization.

Where necessary, the booster club/parent organization will seek competent professional financial and tax advice for accounting and filing requirements. The District assumes no accountability or liability for the operation and management of booster clubs/parent organizations. I understand that as an officer of the booster club/parent organization, and member of the executive board, I am required to ensure the procedures and operating practices are financially and legally sound, and in conformance with all rules, regulations, laws, ordinances and statutes applicable to the club/organization. I further understand that in the event of dissolution of the club/organization, any assets of the club/organization will revert to the district to be used at the district's discretion.

I understand and accept that Jurupa Unified School District prohibits, at any district school or school activity, unlawful discrimination, based on the student's actual or perceived race, color, ancestry, national origin, nationality, ethnicity, ethnic group identification, age, religion, marital or parental status, physical or mental disability, sex, sexual orientation, gender, gender identity, or gender expression or association with a person or group with one or more of these actual or perceived characteristics and attest that the booster club/parent organization will abide by District policy in its membership and all operational matters.

I further understand and accept that I am legally obligated to be prudent and reasonable in conducting myself to help preserve and protect the organization.

Name of Booster Organization: _____

	Print Name	Signature
President		
Vice President		
Secretary		
Treasurer		
Other:		
Other:		

Maintain a copy of this form for your reference



JURUPA UNIFIED SCHOOL DISTRICT

Booster Club/Parent Organizations Hold Harmless Agreement

Booster clubs/parent organizations and their officers or operators will agree to indemnify, defend, and hold harmless the Jurupa Unified School District, its Board Members, officers, agents, teachers, staff or any other employees from any damage injury or harm involving any student, parent or third party arising from or which occurs in any way as a result of or related to the booster club/parent organization activities regardless of location, including every claim or demand made, every liability, loss, damage, or expense, of any nature whatsoever by any student, parent or third party which may be incurred by reason of:

Death or bodily injury to persons, loss of or injury to property, or any loss, damage or expense which may have been sustained by the booster club/parent organization or its representatives or participants, including any corporations, district employees, firm or corporation employed by the booster club/parent organization which arises from negligence or misconduct on the part of the booster club/parent organization, its representatives, students or participants, or which in any way is related to booster club/parent organization activities, regardless of date, time or location.

Any injury to or death of persons or damage to property, any loss or theft sustained by persons, firms or corporations, including the applicant participating in booster club/parent organization activities or conduct related to booster club/parent organization activities, or otherwise arising from any act of neglect, default, omission, negligence or willful misconduct of the applicant, its members, or any person, firm or corporation employed by the applicant, either directly or by independent contract, and attributable in connection with the activity covered by this agreement, on or off District property and during or outside of school hours.

Booster clubs/parent organizations, at their own expense, cost and risk, shall defend any and all actions, suits or other proceedings that may be brought or instituted against the District, its Board, officers, agents, or employees and shall pay or satisfy any such claim, demand, liability or judgment rendered against the District, its Board, officers, agents, or employees in any action, suit or other proceedings arising out of the booster club/parent organization activities.

TO BE SIGNED BY THE PRESIDENT OF THE BOOSTER CLUB / PARENT ORGANIZATION:

Name School Site: _____

Name Club/Organization: _____

Print Name: _____

Signature: _____ Date: _____

Maintain a copy of this form for your reference

Please return a signed copy of this form to the school site administrator