

# Parent Support Organizations Best Practices

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Blue Ridge Unified School District  
2024-2025



# Legal & Tax Disclaimer

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- The information presented in this webinar does not constitute legal advice or tax advice. The instructors, including Blue Ridge Unified School District and Heinfeld, Meech & Co., P.C. make no claims about its accuracy, completeness, or currency of information presented, including any external references provided. The instructors are not acting as your tax consultant or attorney. Legal rules and tax rules change frequently, therefore, we cannot guarantee that any legal or tax information is accurate or up to date.
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# Agenda

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- Best Practices for parent support group organizations
  - Importance of Parent-Teacher Organizations, Boosters, Foundations
  - Organizational, Membership, and Financial Best Practices
  - Cash Handling Best Practices
  - Internal Revenue Service Guidelines
  - Maintaining Documentation



# Why is this training needed?

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Prevent issues  
from occurring

Provide direction  
to parent groups  
and staff

Ensure District  
policies are being  
followed

Provide support

Understand best  
practices



# General Guidelines

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- Each Parent Support Organization is a separate legal entity
- District Tax ID and Banking Information CANNOT be used
- Can be a Component unit of the School District
- Be familiar with District procedures for fundraising and political activities
- Review of Districts liability insurance coverage
- Application process to be a recognized/approved entity



# Understand District Policies

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Relations with  
Boosters (KJA)

Use of Facilities  
(KF-EB)

Distribution and  
Posting of  
Materials (KHC  
and KHC-E)

Fundraising (JJE for  
students)

Political Activities



# Parent Support Group Guidelines

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Organizational

Membership

Financial



# Application Process

- Recognized by the District annually
- Ability to access District facilities
- Ability to hold fundraisers on District campuses
- Ability to send flyers home with students
- Extension of District liability insurance for District recognized events hosted by Parent Teacher Organization



## 2024-2025 APPLICATION FOR GOVERNING BOARD APPROVAL BLUE RIDGE UNIFIED SCHOOL DISTRICT PARENT SUPPORT ORGANIZATIONS

Name of Organization \_\_\_\_\_ School \_\_\_\_\_

Related Student Organization /Club \_\_\_\_\_ Taxpayer I.D. No. \_\_\_\_\_

### 2024 - 2025 Officers

Name: \_\_\_\_\_ Name: \_\_\_\_\_

Office Held: \_\_\_\_\_ Office Held: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_

Phone(s): \_\_\_\_\_ Phone(s): \_\_\_\_\_

e-mail: \_\_\_\_\_ e-mail: \_\_\_\_\_

Date taking office: \_\_\_\_\_ Date taking office: \_\_\_\_\_

Name: \_\_\_\_\_ Name: \_\_\_\_\_

Office Held: \_\_\_\_\_ Office Held: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_

Phone(s): \_\_\_\_\_ Phone(s): \_\_\_\_\_

e-mail: \_\_\_\_\_ e-mail: \_\_\_\_\_

Date taking office: \_\_\_\_\_ Date taking office: \_\_\_\_\_

#### ☐ Formal Non-Profit PLEASE ATTACH:

- |   |   |                                       |
|---|---|---------------------------------------|
| 1) Last fiscal year I.R.S. Form 990 Annual Report | 4) Last FY AZ Corp. Comm. Annual Report | 7) Articles of Incorporation (if new) |
| 2) Most recent treasurers financial report        | 5) Current Operating Bylaws             |                                       |
| 3) Most recent bank statement                     | 6) I.R.S. Determination Letter (if new) |                                       |

#### ☐ Informal Non-Profit PLEASE ATTACH:

- 1) Current operating bylaws
- 2) Most recent treasurer's financial report
- 3) Most recent bank statement

Has a bank account been established? ☐ Yes ☐ No

Are two (2) signatures required on the account? ☐ Yes ☐ No

Are the bylaws reviewed annually? ☐ Yes ☐ No

Is there a Budget Plan in place? ☐ Yes ☐ No

Member meetings are held how often? \_\_\_\_\_

Executive meetings are held how often? \_\_\_\_\_

*As officers, we hereby agree to abide by the bylaws of our organization, attend annual District-provided Parent Support Group financial training, and to follow the District's Guidelines for Operation and Financial Responsibility while we strive to improve our children's educational opportunities where support is needed.*

\_\_\_\_\_  
Officer's Signature Date Officer's Signature Date

\_\_\_\_\_  
Officer's Signature Date Officer's Signature Date

Principal's Approval: \_\_\_\_\_ Date Approved \_\_\_\_\_

**Disclaimer:** The District assumes no responsibility for the accuracy of any information provided by the Parent Organization submitting this form. Documents provided by the Parent Organization will be kept on file at the District Office solely for the convenience of the organization.

**Forward Completed Form to the Chief Financial Officer**



# Organizational Guidelines

# Organizational Guidelines

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Approval and Bylaws

Officers

Budget and Goals



# Bylaws

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Name,  
description,  
and purpose

Membership

Officers

Financial  
policies

Meetings



# IRS Considerations

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- Is your Parent Support Organization a recognized as a Not for Profit Organization under the IRS?
- IRS Form 1023 – application process
  - Exempted from federal income
  - Receive tax-deductible charitable contributions
- IRS Publication 4220 provides guidance and assistance
- Annual 990 Tax Return (typically “E-Postcard”)
  - Annual gross receipts \$50,000 or less



# Membership Guidelines

# Membership Guidelines

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District staff participation

District staff cannot not be officers

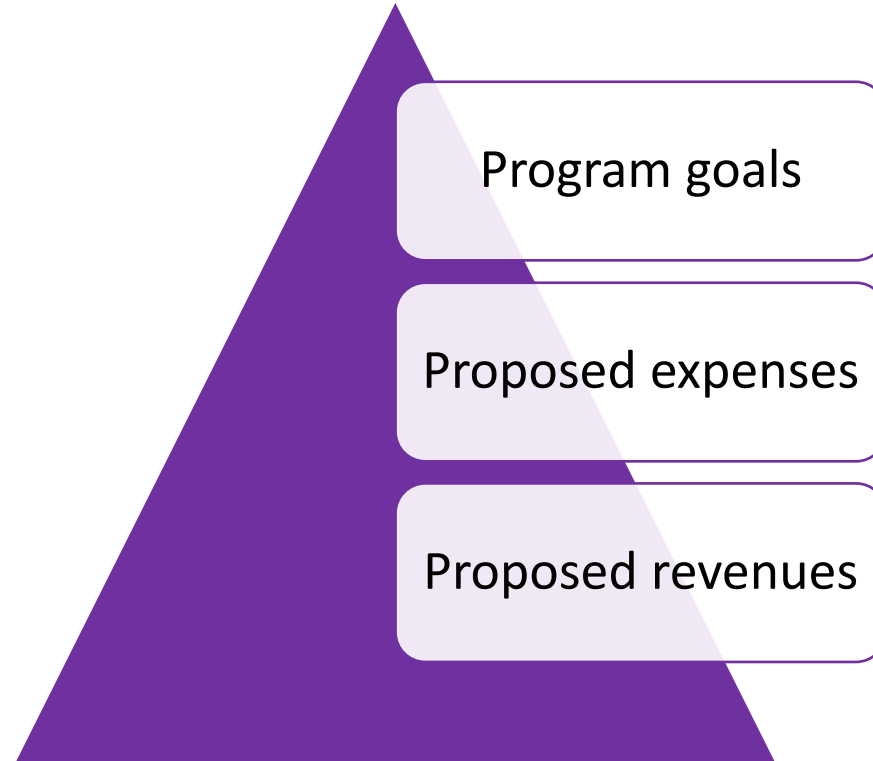
District staff cannot be signers



# Financial Guidelines

# Budgeting

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# Monthly Reporting

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- Treasurer's Monthly Financial Report
  - Cash balances
  - Bank statement
  - Revenues
  - Expenses
  - Copies distributed
  - Board approval



# Additional Financial Considerations

## Banking

- Checking account should have two signers on ALL checks
- Bank statements should be mailed to school address, not an individual's home

## Segregation of Duties

- Segregation of Duties when money is collected
  - Deposit Verified
  - Deposited
  - Funds accounted

## Fundraising

- Fundraising may NOT be detrimental to the instructional day
- If fundraising is in a partnership with student clubs (i.e. student council) then specific procedures must be followed



# Financial Guidelines

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What are the  
District's procedures  
for having a  
fundraiser approved?



# Fundraising Guidelines

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Timeframe

Nature of Fundraiser

Are students involved?



# Fundraiser Approval



## Blue Ridge Unified School District Fundraising Authorization and Approval Form

(Copies of this form should be filed with the School Principal and the Organization)

Name of Club/Organization: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Position in Organization: \_\_\_\_\_

Date of Request: \_\_\_\_\_ Organization's Meeting Date (of approval): \_\_\_\_\_

Will student-club be involved: ☐ Yes ☐ No If yes, proceeds must be proportionately distributed (*see below*)

Purpose of Fundraiser: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Fundraiser Method & Description (what will be sold, how will it be sold, at what function will it be sold, etc.)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If the fundraiser is co-sponsored between parent organization and student club, describe how the fundraising funds will be divided: \_\_\_\_\_

Location of Fundraiser: \_\_\_\_\_

Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_

All fundraisers must have the approval of the school administrator. Blue Ridge Unified School District activities that are done for the purpose of fundraising must be initiated, sponsored and recorded by one of the following groups.

Fundraisers that are co-sponsored must be initiated by both groups. Initial all appropriate:

- \_\_\_\_\_ A. Blue Ridge Authorized Student Club (Advisor's and Club Officer's initials are required). We acknowledge that student clubs who sponsor a fundraiser must always deposit funds and record expenditures in the Blue Ridge Unified School District student account and follow the Blue Ridge Student Activities Handbook guidelines.
- \_\_\_\_\_ B. Blue Ridge Unified School District recognized Parent Support Group Organization (Officer's initials required). We acknowledge that the parent support group organization (PTO/Booster) who sponsor fundraisers must record receipts and expenditures in the parent support group organization's checking account. (Joint fundraisers must have the appropriate initials in A and B)

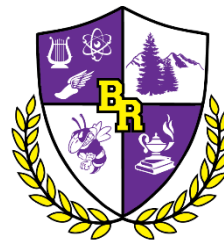
All contracts that have been thoroughly reviewed for clear understanding, including minimum charges and consequences of possible unsuccessful fundraiser, and have been reviewed with the school Principal.

\_\_\_\_\_  
Club Advisor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Parent Organization Officer Signature

\_\_\_\_\_  
Date



### Authorization

\_\_\_\_\_  
Student Council Officer Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
School Principal Signature

\_\_\_\_\_  
Date

Board Approval Date for Student Club Fundraisers: \_\_\_\_\_

# Joint Fundraisers

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- A student club may participate in a joint fundraising project with an outside group such as a parent support group if the governing board has approved the project. The proceeds should be allocated proportionally between the two organizations based on the level of effort devoted by each group on the project.
- Attorney General Opinion 184-032



# Raffles/Games of Chance

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- Student Clubs and Organizations may not hold a raffle or other game of chance
- Attorney General Opinion – 184-018



# Raffles – Non-Profit Organizations

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## **ARS § 13-3302 - Raffles**

- B.2. The nonprofit organization has been in existence continuously in this state for a one (1) year period immediately before conducting the raffle.
- B.3. No person except a bona fide local member of the sponsoring organization may participate directly or indirectly in the management, sales or operation of the raffle.
- D.1. A Booster may conduct a raffle, however...No member, director, officer, employee or agent of the club or organization may receive any direct or indirect pecuniary (financial) benefit other than being able to participate in the raffle on a basis equal to all other participants.
- D.3 Maximum annual benefit received for all raffles is \$10,000.





# Fundraiser General Reminders

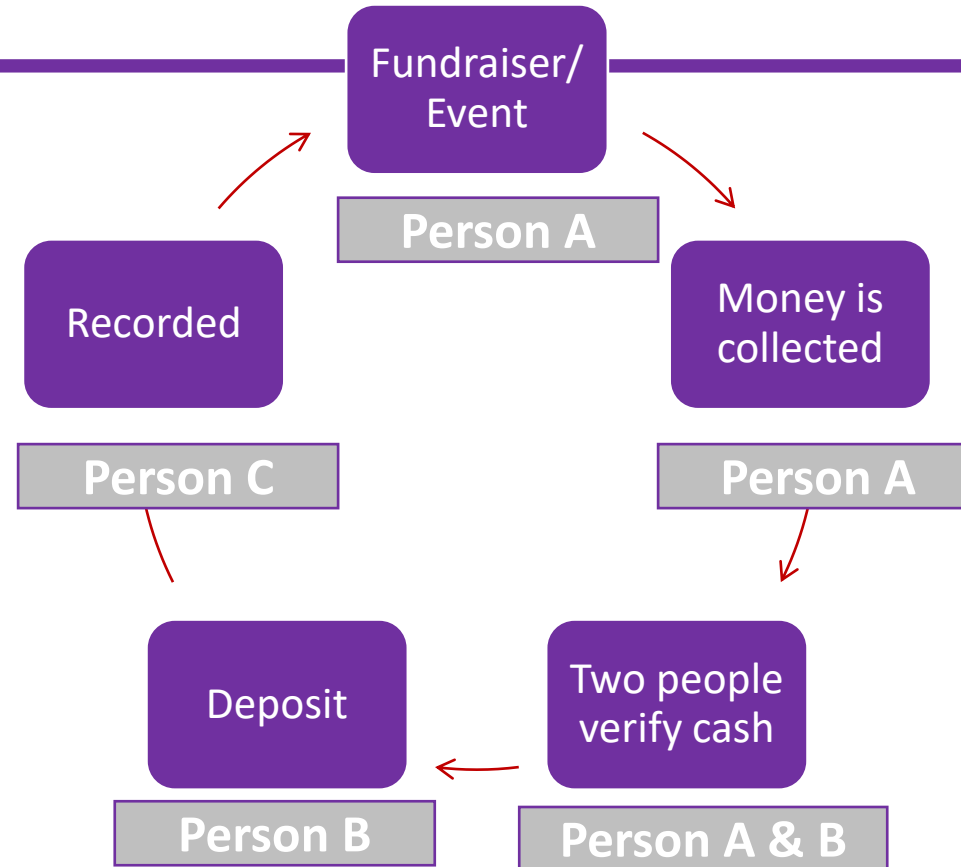
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- Funds collected by the parent support organization must be kept by the organization off campus
- No funds collected will be kept on school campus
- All fundraising is presumed to have the intent that the funds will be raised for the students within the District and spent for the purpose which they were raised
- Fundraisers must be age appropriate
- Fundraisers (on and off campus) must have pre-approval
- Parent support group organizations cannot require members or students to fundraise or to raise a certain amount



# Cash Handling Guidelines

# Cash Cycle



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How do you  
document the  
cash collected?





## PARENT SUPPORT GROUP ORGANIZATION CASH COLLECTION REPORT

Parent Support Group Organization Name \_\_\_\_\_ Date \_\_\_\_\_

Event/Description \_\_\_\_\_

Denomination	Person A – Dollar Amount	Person B – Dollar Amount
Total Dollar Amount of Checks	\$ _____	\$ _____
\$100.00		
50.00		
20.00		
10.00		
5.00		
2.00		
1.00		
.50		
.25		
.10		
.05		
.01		
<b>Total Account Deposit (Cash &amp; Checks)</b>	\$ _____	\$ _____

Amount collected and documented should reconcile to individual receipts issued, tickets sold, or inventory of goods sold.

Units Sold (#)	Amount/ Unit (\$)	Cash Collected	Item Sold/Description
X	=		
X	=		
X	=		
X	=		
X	=		
X	=		
X	=		
X	=		

**Total Deposit:** \$ \_\_\_\_\_

The persons signing below are verifying that the Total Deposit amount is \$ \_\_\_\_\_

Printed Name of Person A \_\_\_\_\_ Signature of Person A \_\_\_\_\_ Date \_\_\_\_\_

Printed Name of Person B \_\_\_\_\_ Signature of Person B \_\_\_\_\_ Date \_\_\_\_\_

Printed Name of Organization Officer \_\_\_\_\_ Signature of Organization Officer \_\_\_\_\_ Date \_\_\_\_\_

# What are the key rules for cash?

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Safeguard  
Cash!

Cash is  
deposited in  
a support  
organization  
bank account  
(not district  
account)

Cash is  
counted,  
verified and  
documented

Handling cash  
is segregated  
among  
volunteers



# General Financial Guidelines

# Accounting Procedures Considerations

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Use of Credit  
Cards/Debit Cards

Require Use of  
Reimbursement  
Forms

Require a review  
of bank statements  
and reconciliation  
at board meetings

Ensure 2<sup>nd</sup> count of  
all monies  
received

Deposit timely!

Segregate Duties!

Keep organized  
records

Document,  
document,  
document!





# Forms to Maintain

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Check Request  
Form

Cash Collection  
Form

Cash Box  
Request Form

Reimbursement  
Request Form

Donation  
Receipt

Debit Card  
Record



# Maintaining Documentation

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As a best practice, the parent support organization should consider preparing an annual accounting binder to be provided to the Principal at the end of each school year to be provided to the new parent support organization board the following school year. This binder would include the following:

- Tab 1: Organization bylaws
- Tab 2: Employer Identification Number (tax ID number), Tax Exempt Certification (if applicable), completed Form 1023 (if tax exempt)
- Tab 3: IRS Forms 990 tax return (if applicable)
- Tab 4: Bank account information, including listing of names of authorized signers
- Tab 5: Complete year of financial reports
- Tab 6: Fundraising approval forms
- Tab 7: Expenditure receipts, record of all transactions
- Tab 8: Meeting minutes from the school year



# Contact Information

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- Campus leadership – School Principal
- District leadership – Business Office

Business Services Department

Business Services – 928-368-6126



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