

BUSD Fundraising Committee FAQ's

- I. These questions were generated at the March 6, 2019 Meeting of the Burbank School Boosters Association.
- II. Additional questions (below) were added after that meeting.
- III. A third set of questions was presented by members of the Stevenson, Edison, and Roosevelt Booster organizations.
- IV. Additional questions from April 11, 2019 meeting of the Burbank Schools Boosters Assoc.

I. 3/6/19 Meeting Questions

- **Tax ID numbers – whose do we use now?**

Yes; the fundraising committee will use the District's letter verifying tax exempt status. Tax ID Number will not be handed out. Copies of this letter are available with BUSD Fiscal Services.

- **What about the accounts at Ume? Will they be going away?**

Yes, the accounts for the Booster organizations (under BSBA) will be closed. Remaining funds will be donated to the school and earmarked for a specific program or purpose for which they were raised.

- **How will BUSD facilitate / oversee the fundraising if there are no employees dedicated to oversight?**

Ultimately, the oversight of the fundraising becomes the responsibility of the Principal or administrative staff designee. District Staff will be available to provide support, guidance, and assistance when necessary or requested. The fundraising committee's job is to carry out the actual function of fundraising but must do so within the confines of BUSD Board policy, ed code, and the law and with the permission and oversight of the principal. Annual program plans, budgets will still be required by District Administration with approval by a principal.

- **How will volunteers get reimbursed / reimbursed in a timely manner?**

There will be procedures and guidelines established for the handling and disbursement of reimbursements. At the elementary level, accessing it will involve working with the principal (or administrative designee) and/or the office manager to ensure timely submittal of original receipts and a check request form completed for submission to district fiscal services. At the secondary level, reimbursement should come from the site via check according to the site and officer manager's schedule.

- **Will there be cash available at the sites?**

Cash banks may be held at a school site for event cash boxes only. There will be policies and procedures in place for handling cash to check in and check out cash boxes with a documented paper trail. The office manager or principal would be the person to open and be present while a fundraising committee member accepts the funds for use at an event and for returning the funds after the event has taken place. At the secondary level, there is already a finance manager who can work with advancing cash banks for events.

- **How can we be assured that the funds we raise won't be spent on something we didn't agree to raise the money for? Donated funds – to BUSD or the schools – are RESTRICTED, but what assurances do we have that the restrictions will be honored?**
- **Current booster board members see themselves as stewards of the funds donated to their organizations and gatekeepers for the use of those funds. What controls / oversight will be in place to make sure that the funds donated will be used as intended instead of school / admin expenses (such as substitute teachers, fees, etc., that should really be paid by site funds)?**

It is incumbent upon the school site and BUSD to *ensure* that funds raised will be accounted for and spent as designated; held in restriction if needed; and rolled over properly to the new year with regular balance and income/expense reports given to committees so the volunteers, parents, donors, teachers, site admin and district admin. always know where the funding stands.

School fundraising committees, with the approval of the principal (or administrative designee), determine what funding proceeds are spent on. Of course, any funds (donated to the District) must meet all legal compliance requirements, and funds cannot be spent on things that would not be legal and in the best interest of students. If there are any activities that may be of concern or are questionable, it would be the principal (or designees) responsibility to obtain further guidance from the District.

The core mission and purpose agreed upon by an elementary fundraising committee or secondary fundraising group, principals and staff designees, would dictate the specific purpose for which the funds are being raised. As such, committees/fundraising groups will have regular monthly meetings with agendas and minutes delineating funding purposes. It is expected that no funds would ever be spent on a purpose that was not agreed upon by the committee and the principal or designated AP, along with the teacher, coach, or program director when applicable. The committee must create a budget each Spring that includes anticipated income and expenses for the next school year, including the cost of programs, projects, etc. Additionally, the fundraising committee must work with the principal, coach, program director, or teacher to have a specific plan in place for any funds that went unspent during the previous school year.

- **Need a FAQs sheet to address “gray areas:”**
We will make sure to determine as many “gray” areas prior to the occurrence as possible and provide guidance on how to address each area in a legal and compliant manner. District staff will work with fundraising groups and provide guidance for such areas, as they arise. A separate FAQ sheet will be created and published to address these areas.
- **What happens to the non-BSBA boosters?**
The non BSBA Boosters may still exist. However, in order to operate, they still need annual approval from the District just as they do now. Non-BSBA boosters must operate in accordance with state and federal tax law, California education code, and BUSD School Board policy or risk

disassociation with BUSD. The non-BSBA boosters, as annually approved school-connected organizations, operate at the behest of the Principal, school district and ultimately the School Board. In the event a non-BSBA, “freestanding” 501(c)(3) booster group is recommended for disassociation, the group is subject to termination by the Board and may no longer fundraise for BUSD, just as any fundraising group could also be.

From BP 1230: *Activities by school-connected organizations shall not conflict with law, Board policies, administrative regulations, or any rules of the sponsoring school.*

From AR 1230: *It shall be the prerogative of the Superintendent, either independently or upon the advice of the administrator, to recommend to the Board the disassociation of the school or district from any organization at such time as it is determined that the organization fails to comply with the law, Board policies, administrative regulations, or any rules of the sponsoring school.*

- **How will this change affect the school office managers’ jobs?**

At the elementary level, the office manager may be asked to accept deposits, record them, and place them in a safe. The office manager may also be asked to open the safe and be present while a fundraising committee member accepts and returns cash banks for events. The office manager will need to ensure monthly financial reports are generated for the fundraising committee, principal and district (when requested).

- **How will incoming elected booster board be affected? What will their jobs/roles be? What will everyone be called (if not “president,” “treasurer,” etc.)?**

To differentiate from an “outside” fundraising entity, titles for leadership roles in the fundraising committees/groups will be similar, in nature. The leadership structure currently being considered is as follows:

- The committee operates under the authority of the Principal, assigned Asst. Principal or Site Designee

Roles of committee volunteers:

Leadership:

- Committee Chair (in lieu of president): Presides over Fundraising Committee Meetings
- Committee Clerk (in lieu of secretary): Maintains the agenda and keeps meeting minutes
- Committee Finance Chair (in lieu of treasurer): Serves as the Treasurer for the Committee. Responsible for preparing a monthly budget to actual financial reports with income and expense reports from the site Office Manager and sharing those reports at the monthly fundraising committee meetings at large.

Volunteers:

- Additional Volunteer Coordinator Positions (such as for Events or Activities): Can take on the role of preparing, organizing, and/or putting-on an event or

activity, such as a carnival, theme night, restaurant night, or other such events.

BUSD Staff:

- Up to 3 BUSD Staff members may serve in volunteer positions on the committees/groups
 - Of the possible 3 maximum BUSD staff members on the committee, **ONE** may be elected to serve in one of the 3 main Chair positions designated above
- **How and when will the new “boards” be trained on the new procedures?**
To prepare for the next school year (2019/2020), we hope to complete all the necessary training (for school staff and parent volunteers) in the month of April 2019. However, moving forward this is what the annual process would look like:
 - Committee formation / election / operation timeline (annual)
 - January – “cast net” and seek committee chairs
 - February – distribute slate of nominees for election of committee Chair positions
 - March – hold / finalize election at an “all call” meeting
 - April – conduct planning and budgeting for next school year
 - May – submit budget, calendar, etc. with new compliance packet to school principal and designated BUSD district admin
 - **What happens when funds raised fall short of program costs?**
Site Fundraising Committees will need to have an agreed upon and written plan, documented in the committee minutes, for what to do with funds when they do not meet their program cost objectives.
 - **What happens to company match donations (Cyber grants, Benevity, etc.)?**
Company matches can still be donated to the school/district for the benefit of the school or program. Contact BUSD Fiscal Services for letter determining tax exempt status.
 - **What are the “new rules”? Who makes the decisions about how funds are used? Who decides which fundraisers will take place? Who approves them? What are the processes?**
New guidelines will be similar to the previous booster’s structure, under BSBA. What will be different is that there will no longer be site-based booster groups operating under the umbrella of BSBA. Elementary school fundraising committees would be expected to work with their principals to determine their goals and objectives, the types of fundraisers that they are going to hold, and when they are going to occur. Secondary groups will work with their teacher, Asst. Principal/Principal and the finance manager to operate through an ASB Trust account.
 - **Who will sign contracts now?**
Contracts for fundraisers or school service contract can still only be signed by the designated District Administrative officials who are authorized to do so. Currently, these are the Asst.

Superintendents of Educational Services and Business Administration. Many contracts will need school board approval.

Typically, all necessary contracts will need Board approval and must be presented to the site principal for approval and signature by designated District Office Staff to facilitate this.

Committees will need to take care of this no less than three weeks prior to the Board Meeting which precedes the actual event for contracts to be appropriately approved by the Board of Education when needed. Details will be available through the new guidelines.

- **Will newly-formed 501(c)(3) groups be allowed / approved by the BOE?**

As discussed in the meeting, newly formed 501(c)(3) groups are not prohibited by Board policy. However, we encourage site-based fundraising to be done by school fundraising committees at the elementary level and through school based ASB Trust accounts at the secondary level. This provides better protection to parent volunteers and allows the school/district to know and manage program costs and funding properly.

Groups who want to start their own 501 (c)(3) organization will still need to get annual approval from the Board of Education, meet all compliance and restriction guidelines, obtain proper insurance, and accept full legal liability for their actions.

New Independent 501(c)(3) Organizations must file to become incorporated and would need to be registered with the IRS, California Franchise Tax Board and Office of the Attorney General and be approved by the District before beginning any activities or operations. There is a significant cost of obtaining a 501(c)(3) and charitable trust certifications to become a public, tax-exempt charity.

- **We are already planning fundraisers and activities for next year. Can we still go forward?**

If you are planning fundraisers for next year, you may continue to do so. Currently, it is recommended to following regular election, planning and budgeting procedures already in place to not lose time. Any new fundraising or service contracts should be sent through the BUSD process discussed above.

- **Who will complete use of facilities permit applications now?**

Filling out the paperwork may be done by a person designated by the principal. The principal will need to approve and sign the Use of Facilities for. Submission of the request may be done by a principal designee.

- **Will volunteers have to be approved and cleared by BUSD? Will they be covered by BUSD insurance in their work?**

Just as has been done in the past, volunteers who work with children must go through the entire live-scan, vetting, and volunteer application process. Volunteers working in support of school-based fundraisers are covered by BUSD insurance.

II. Additional Questions added Subsequent to the 3/6 Meeting

- **Currently, the board is responsible to the parent body. Will the School Sites be responsible to the parent body in the same way where the associations get to vote on things like the budget and calendars?**

Site-based fundraising committees and principals (or administrative designees) will operate in a similar manner to what has been previously done by site Booster committees when reporting to and planning events with the community of parents at the school. An annual timeline is being devised to allow for the election of volunteer leaders and processes for planning and budgeting just as they are now for elementary groups. Submission of the fundraising committee plan will be completed and submitted to BUSD, just as the current annual compliance packets are now.

- **In this new system, will the Committee vote on the budget or will this be done only with discussions between the Committee and the Principal?**

The fundraising group must hold monthly schoolwide meetings to ensure the school community is well represented in decision making. Decisions must be democratic with voting practices following Roberts Rules of Order or BUSD directed processes.

The principal will be involved with approving what the committee and members at large vote to fundraise for.

- **Will the committee governing members need to be voted in by the association again in the fall?**

Committee leaders will be assembled following the timelines established (preliminary template noted above). Voting will follow annual timeline and guidelines as noted above and incoming leadership will be elected in the Spring in the same manner the current booster groups do.

- **This one is not a question, but a matter of semantics. Currently, we have Board Directors who are obviously part of the board and attend board meetings then we have chair people who don't attend the board meetings but head up certain things like Dine Outs and an event. If you call the new Committee members chairpersons, it will get confusing very fast as to who is on the fundraising committee who attends monthly Committee meetings and who is a chair person who is does not attend meetings. Just throwing that out there.**

As noted above on page 4, there are titles and responsibilities to signify leadership roles that are currently being considered.

- **Paypal - is BUSD prepared to take electronic funds through Paypal or other sources?**

Yes; some of our schools are currently set up to accept PayPal. BUSD is currently working to set up a process through BLUEBEAR software that may have mobile device capabilities also. BUSD will provide further guidance on how these electronically donated funds will work soon.

- **Disbanding procedures for a school Booster Club: Where do we find the procedures for closing a Booster Club or with whom should we work with? We presume there has to be an official "shutdown" and that there is some formal process for transferring any remaining funds from one legal entity (Boosters) to another (BUSD).**

The dissolution of the individual BSBA booster clubs is the responsibility of the BSBA board of directors. Please contact the BSBA board for assistance.

Currently, to disband a BSBA booster, your board and association should first vote to do so. Then written notice should be given to BSBA and your Principal stating the intent to disband with a final date for activity.

Any funds held in the bank account may be distributed by the boosters to the school for use as designated prior to the June 30, 2019 end date.

This is what the BSBA Affiliate Agreement states first: "Upon the dissolution of the local booster club and after paying or adequately providing for its debts and obligations, the remaining assets shall be distributed to BSBA with the requirement that said funds be restricted funds designated solely for the purpose of the local booster club's designated school".

BSBA will send notice to UMe to close the account(s) and ensure that any funds left in the account (even if it's just pennies) be sent to the school/BUSD. A letter directing fund designations for the appropriate school/programs will be signed by BUSD and BSBA to ensure proper use of funds.

All financials through the closing date of the booster's bank account from July 1, 2018, through June 30, 2019, must be submitted to BSBA and BUSD.

- **Will we still have a financial secretary because the person entering the financials and writing checks should not be the same person depositing the money for checks and balances. Who will be reconciling the bank account?**

There will no longer be bank accounts to reconcile. All monies deposited are handled by the school site and BUSD. Any "reconciliation" will be in the form of copies of money counting forms and deposit slips along with monthly reviews of the financial reports provided by the office manager/finance manager. The committee Finance Chair should compare the fundraising committees' records of income and expenses to these reports and the budgets prepared. Direction and procedures will be given with the forthcoming BUSD fundraising group guidelines.

- **I assume as we go forward with our budget for next year, that we do not need a line item for BSBA or insurance, is this correct?**

Yes, this is correct.

III. Additional Questions asked by Stevenson, Edison, and Roosevelt Booster Organizations

- **Will the “Fundraising Committees” be sanctioned?**

Elementary School-based fundraising committees will need to be approved by the site principal. Secondary fundraising groups will complete approval through the ASB charter process. All fundraising plans, budgets, will continue to follow BUSD guidelines and compliance reporting as designated by BUSD. Ultimately, BUSD Administration has regulatory and approval responsibility.

- **Who will give the elementary school “Fundraising Committee” their authority and what will prevent competing or unwanted fundraising groups from forming?**

Each elementary school will have one school-based fundraising committee.

- **Will the “Fundraising Committee” be required to meet monthly and present at monthly parent association meetings for accountability?**

Generally, yes. See page 2 of this document

- **Since the above listed Booster Associations plan on maintaining the oversight of their current fundraising activities, we believe that calling us a “Fundraising Committee” and our members “Chairpersons” will not properly distinguish our group from the smaller fundraising committees and chair people we oversee.**

See page 4 of this document. The purpose of changing leadership titles is to differentiate the school site based fundraising groups from formal outside entities. Currently – Chairpersons refer to Fundraising Committee Heads, Coordinators refer to event or project leaders. These titles may still change – suggestions are welcome.

- **Who, other than the school Principals, will approve the budget and the calendar for the “Fundraising Committees” activities?**

This should be the school principal or a principal’s designee.

- **Will the budget and calendar be voted on by the Fundraising Committee and the parent association?**

Budgets will be developed in collaboration with the fundraising committee, principal with input from staff and volunteers. They will be discussed and voted upon by the committee members at large, as they are with boosters now.

- **Will the Fundraising Committee and/or parent association have any authority to override a spending, budget or calendar change made by the school site or BUSD?**

Because the principal is integrally involved with the Committee, it is assumed that he/she would not be opposed to what the committee is recommending and has been voted and approved. If a disagreement were to arise, the District Director of Elementary or Secondary

Education would become involved to help resolve the issue as it is the school district's ultimate responsibility for the activities and events at a school.

- **We understand and accept that BUSD will now be named on the fundraising bank accounts which will be kept in a trust account. We also understand that the school sites will be taking over the books, writing the checks and overseeing the deposits. This raises the following questions:**

- **Will the "Fundraising Committee" and the parent association receive monthly financial reports?**

Yes, see above answers in this document.

- **Who will be auditing the books? We believe the Fundraising Committee should be given the books twice a year to either audit or review.**

At the elementary level, monthly reporting and conversation with the Officer Manager and Principal will assist in clarifying or correction of any discrepancies. It is the fundraising committee Finance Chair's responsibility to ensure funds are accounted for and report back to the committee at large.

At the secondary level, ASB has its own auditing procedures. Again, a finance chairperson should report back to the fundraising group in the same manner with monthly reports reconciled between the budget and reports received from the school finance manager.

- **Will all vendors hired for fundraising events need to be district approved, including photo booths, inflatables, food vendors? If so, who will be vetting the vendors?**

Yes. The BUSD business services office will approve vendors based on current procedures for hiring independent contractors and vendors. See previous answers in this document.

- **Will we be able to take credit cards for events and direct ask campaigns? Will the school sites be able to sign checks, or will we need to go through BUSD?**

A credit card processing system is currently being worked on as mentioned earlier in this document.

At the elementary level, checks will be processed in accordance with district procedures and timelines through BUSD Fiscal Services.

At the secondary level, checks will be processed in accordance with the site finance manager's schedule following ASB Trust account rules.

IV. Additional Questions from boosters after the April 11, 2019 Burbank Schools Boosters Assoc.

- 1. Please show examples of how to delineate on donations or checks that the funds given are for the "fundraising group's" platform as opposed to just to the school in general.**

If someone is donating by check, the purpose of the donation should be placed in the in the "memo" area of the check. Online donations should be coded by specific purpose in the "School Store" area of the web site, using the Blue Bear Platform. If the donor has not specified what the funds are for, they would be tagged in an area called "Unallocated Funds."

- 2. Can you provide list of "regular" account strings and category titles, site specific, for at least the basic, general items that are regularly used? Examples: Site Fundraising Group - General Fund, OSS, Supplies, Instructors, etc. Create a BUSD specific "gift" form with account strings listed.**

This list was sent to principals, who have provided information about each of these programs. As of 4/26/19, the list is still being compiled.

- 3. How will the district ensure that a site, or the district themselves, will not usurp the fundraising committee's agreed plans for funds and then use funding available in a "general fund", or other account string, for urgent items or un-approved items?**

Donations will be traced by the purpose given and a BUSD transfer request form will be completed and signed by the Fundraising Committee Chair, Finance Chair and Principal or designee. Selected on-line reports will be provided on a monthly basis by the office manager or assistant (elementary) or the finance clerk (secondary) to the Principal (elem.) or teacher/designee (secondary), who will then forward to the Finance Chair and/or Fundraising Committee for review and reconciliation to budget.

- 4. Will old (2-3-4 year old, etc.) invoices be "wiped out" and not continually charged to the fundraising committees funds when the New Year starts? Can they start with "clean slate" to avoid issues like above in #3?**

Salary retroactive invoices will be forgiven. All other outstanding invoices will need to be resolved. Currently, Fiscal Services is working with the school site principals, teachers , and boosters to come to a solution for old, outstanding invoices.

Going forward, no invoices will be applied to a program until it is determined that the expense has been approved and funds are available for that purpose, prior to action taking place.

- 5. How will the district ensure that groups that raise significant funds will not be docked or expected to forgo a program or item generally funded by the district that another site may receive, just because they have "extra" raised funds sitting for their site? Or, in other words, that the district won't just give a site more district funds for an item than they would give any school that has not raised as much?**

If the District has funding for a purpose previously being collected for, the funds will be provided to the school-site, and the collected funds will be freed up for other purposes to be determined by the site Fund-Raising Committee.

6. Will there be a list from the District of approved vendors for service contracts for programs and/or fundraiser vendors?

The District uses a web site, VendorRegistry.com to establish new vendors. The vendor must provide a W-9, agree to "Net-30" terms and accept purchase orders from the District. Currently, we are working to determine if a list can be generated by this site for use by fundraising groups or if there is another mechanism to maintain a list on-going.

7. How will the district handle approvals for last minute changes to contracts for fundraisers?

It will take (at least) three weeks to obtain approval of a contract, with the Board of Education. Last minute changes will not be possible.

8. Please clarify the fundraising committee voting rules and whether there must be an "executive board" meeting before a general meeting of the whole committee/donors.

The process for voting on particular fundraising events or activities would be up to the individual school site. However, it is important that the voting reflects the general will of the school community and that the principal approves the objective of the fundraising events and/or activities.

9. How can district allow raffles for a program or elementary site? This is an opportunity for those who may not donate to "afford" to participate in fundraising.

Under Penal Code 320.5, raffles are not permitted under any circumstances by schools. An alternative is to do silent auctions. At the Elementary level, it may consider having PTA host raffles at separate events.

10. How will the district ensure that sites (specifically elem.) open up discretionary funding/costs, "rainy day" funding, PTA funding and Fundraising Committee funds to all so there can be the opportunity to discuss how programs are funded during any school year?

School sites are encouraged to share information about their budget/finances, from all sources of income, with stakeholders.

11. Will there be a clear monthly report from Finance or Office Managers showing total income, expected (encumbered) expenses, and paid expenses, with an ending balance available by category/account string?

Yes; site office managers (elementary) and finance clerks (secondary) will provide detailed financial reports that will include funds raised by purpose (Outdoor Science School, Arts programs, Greek Day, etc....), as well as what was spent from the purpose and balance of those funds. See #3 above.