
Lewisville Independent School District

BOOSTER CLUB GUIDELINES



Band



Choir



Drill Team



Debate



Orchestra

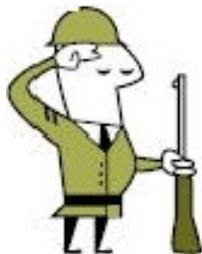
LISD



Drama



Athletics



JROTC



Cheerleader



FFA

Booster Clubs

A school district approved club formed by parents and other interested non-student adults to work for the best interest and in a manner conducive to the enhancement of educational programs of the district.

NOTE: The Federal Tax Number and the Texas Sales and Use Tax Exemption for Lewisville ISD are not to be used by any Booster Club for any purpose.

Booster Clubs must be approved by the Principal – Booster Club Statement of Purpose.

Establishment and Approval

At the activation meetings of interested adults who want to establish a booster club, certain important elements should be agreed upon. These include:

- The determination of the purpose and goals of the club to be consistent with and enhancing the education programs of the school district.
- The appointment and/or election of a slate of officers, to include, as a minimum, President, Vice President, Secretary, and Treasurer. The sponsor/coach of the organization or administrators on their own campus shall not be a member, hold office, or have voting privileges on the executive board. However, the coach/sponsor will work closely with the booster club to facilitate planning and communication. Campus secretaries and bookkeepers cannot hold a financial position with the district and a financial position with the Booster Club.
- Preparation of a constitution or bylaws which must have as a minimum (*See [Booster Club BYLAWS Sample for additional requirements](#)*):
 - 1) Establish a maximum tenure of office for individuals holding positions of honor and trust;
 - 2) Establish the fiscal year dates in which the booster club will operate;
 - 3) Establish provision for the appointment of a member audit committee or the selection of an audit firm to perform an annual audit of financial records;
 - 4) Provide for the preparation and member approval of an operating budget identifying fund raising projects and the purposes for which the funds are being raised;
 - 5) Identify the official records to be established and maintained by the elected officials of the booster club;
 - 6) Establish the criteria and define membership in the booster club as one comprising parents and other non-student adults who are interested in enhancing the district's educational programs;
 - 7) Action to be taken upon dissolving or suspending booster club;
- The annual registration with the campus principal of officers.

NOTE:

Booster Clubs are required to pay state sales tax when purchasing taxable items and to collect sales tax when selling taxable items. These clubs and organizations may apply to the State Comptroller of Public Accounts requesting issuance of a sales tax number to be exempt.

Financial Policies and Procedures

The following guidelines reflect the district's requirements pertaining to the financial policies and procedures, which must be considered when establishing the booster club's bylaws.

- **Annual budgets** must be formulated and approved by the membership, setting forth the fund raising projects and the purpose for which the funds will be expended. Accounting records should be studied from previous year's annual reports to determine how well that budget met the organization's needs. Next, members should determine the projected financial requirements, taking into consideration the funds needed for the approved programs and projects. This information is used to develop the budget. Without an approved budget there is no authorization to expend funds or to conduct fund raisers. After the budget is approved, it serves as the financial guide for the fiscal year. Since the budget is only an estimate of the planned expenditures and income for the year, amendments may become necessary from time to time. When there are additional expenses or changes to expenditures or income, the budget must be amended by a vote at any regular meeting of the membership. Any time budgeted items do not have sufficient funds allotted in that line item to cover expenses or new projects are planned, the budget has to be amended. This is also true of the income items.
- Use of **pre-numbered bank checks** and a systematic record of bank deposit slips.
- Requirement for **two officer signatures on all checks** typically the Treasurer and the President. If these officers are related, someone else must be responsible for this. A *sponsor may not have signature authority* of an outside bank account for a booster club or other outside organization.
- The identity of the banking institution should be included in the minutes designating where the checking and savings accounts are maintained.
- A system should be established whereby IRS Form 1099 MISC can be furnished to those individuals, businesses, etc. when amount paid is required to be reported per IRS.
- The treasurer's records should consist of:
 - 1) A double entry ledger system so the books can be balanced at the end of each period. A ledger book showing all income and expenditures should be maintained with supporting receipts and deposits. A ledger sheet for each budget category must be kept to reflect expenditures.
 - 2) A system using **receipts and invoices**. All bills should be paid by check, never cash. Each check written must have a receipt or invoice attached. If a receipt or invoice is not available, a written document indicating purpose of expenditure, amount, payee and why receipt not available must be completed for documentation.

A receipt should be issued any time cash is collected. Receipts should be pre-numbered, issued consecutively and kept in a bound book. One copy must always remain in the receipt book. (Exception: concession sales)

Officers should collect monies and make deposits on a timely basis. However, financial responsibilities should be properly segregated among the officers. Officers who have physical custody of the assets of the club (i.e. the deposits, the checkbook) should not also have

recording, reporting, and reconciling responsibilities. For example, if the club collects dues, the Membership Chair could deposit all of the cash and checks from new members, not the Treasurer. The Membership Chair should submit the deposit slip and adequate supporting documentation to the Treasurer (detailing how much was collected, from whom, amount) for record-keeping purposes.

Whenever possible, at least two people should count the monies collected and document the amount given to the officer for deposit.

- 3) The treasurer must prepare and distribute a **financial report** to the membership on a monthly basis. The report should detail the source and amount of all revenue collected (e.g. \$560 from concessions, \$220 from program sales, etc.). The financial report should also detail the expenditures for the month (how much was spent and for what purpose). In addition, the report should also indicate the bank balance at the beginning and ending of the month. The ending balance should tie back to the reconciled bank statement and previous treasurer's report.
- 4) Copies of the approved secretary's minutes of meetings;
- 5) Copy of completed **required forms submitted to Principal or noted District staff**:
 - [Booster Club/Organization Statement of Purpose](#)
 - [Booster Club/Organization Budget](#)
 - [Booster Club/Organization Annual Report](#)
 - At the close of the booster club's fiscal year, the treasurer shall prepare an annual financial report covering the entire fiscal year [Booster Club/Organization Annual Report](#) to be submitted to the principal.
 - [Fund Raising Application](#)
 - [Contribution Acknowledgement Form](#) – Principal must submit to the Director of Facility Services or the Distribution Manager for approval of donated items if \$1,000 or more.
 - [Certificate](#)
The treasurer must complete a [Certificate](#) to be submitted to the *Accounting Department*. This Certificate is a tool that Accounting uses during year end to see if any booster club meets the materiality requirements outlined in Governmental Accounting Standard Board No. 39.
 - [Audit Report](#)
 - [Facility Improvement Requests](#) – Must submit to *Director of Facility Services*. *If the improvement is \$1,000 or more, it must also be approved by the Director of Facility Services or Distribution Center Manager.*
- 6) Arrangements should be made annually to have the **books audited** by at least three members designated as the Audit Committee. The audit findings should be a part of the club's documented files. The audit committee must make a **report** to be **presented at the first meeting held after the conclusion of the audit**. In the event a complete audit cannot be done due to the inadequacy or unavailability of the records, this must be reported to the members ([Audit Report](#)). The Audit Report along with the Financial Report must be submitted to the Principal by September 1 of each year.

Audit Committee Guidelines:

Each Booster Club is required to have an audit committee conduct an annual review of the Financial Report and the related financial activity for the school year. *The Treasurer (and Assistant Treasurer, if applicable) should not be on the audit committee.* The audit committee must prepare a written Audit Committee Report that communicates the results of the audit to the members at the next regular meeting.

The following suggested guidelines are designed to assist the audit committee in conducting a thorough review of the Booster Club's financial report and activity for the applicable school year:

- Make sure the beginning balance agrees to the balance on hand per the last audit report.
- Review the reconciled bank statements and canceled checks to determine that:
 - Disbursements have been properly documented with an invoice or receipt;
 - Disbursements have been properly approved;
 - Checks have been properly signed;
 - Checks have been deposited or cashed by the payee indicated and that no information on the face of the check has been altered;
 - Checks have been accounted for in the proper sequence (no missing checks); and
 - Checks have two signatures and are not being signed by the payee.
- Verify deposits are made in a timely manner by reviewing the dates of fund raisers. Check to see that cash was counted by two people.
- Verify that receipts and disbursements were recorded to the correct account category.
- Verify that bank reconciliations are done monthly and check accuracy.
- Review the Treasurer's monthly reports and check them for accuracy. Review the beginning and ending balances on reports to verify that correct ending balances were carried forward as beginning balances on subsequent reports.
- Verify that 1099s were issued if applicable.
- Determine if booster club had an obligation to collect sales tax. If so, make sure returns were filed timely and accurately.
- Verify that money collected for a designated purpose was spent only for that purpose.
- Check the minutes to verify the budget and all amendments were adopted.
- If there are irregularities, the committee should take the following steps:
 - Contact the treasurer for additional records or information;
 - Contact the President if matter cannot be settled to the committee's satisfaction; and
 - Contact the Principal for further assistance.

Fund Raising Projects

It is the policy of the District that funds received from Booster Clubs' fund raising activities must be used to benefit the students and schools in appropriate ways. See UIL guidelines for appropriate expenditures. <http://www.uiltxas.org/files/booster-guide.pdf>.

Fund raising projects for parental groups should be:

- For the educational benefit of the students, coordinated through the principal.
- For a specific project as identified in the current approved budget and not for the sake of raising money.
- In connection with the established goals and philosophies of the booster club constitution or bylaws as well as UIL guidelines.
- LISD forbids any student, regardless of grade, from participating in door-to-door sales.
- The use of individual accounts for members of District groups or clubs is not allowed. The IRS indicates that individual accounts cannot be used by a tax exempt organization. ([IRS position](#))

Gifts to District/Employees

To schools and district:

Gifts to the schools may be in the form of cash with a request that it be used to purchase specific item(s) or to provide funds for a definite purpose. Personal property purchases, except those specifically identified as property of Booster Clubs, that are placed in, on, or around the school will be considered as a gift to the school and district. Per District policy, personal property includes, but is not limited to, any item or thing that may be moved from one location to another or is consumable and does not include real property, such as land, buildings, and repair or renovation to any building. The term personal property also includes related classes or types of items, or consumable supplies, such as athletic supplies, automotive supplies, office supplies, cafeteria-equipment, cafeteria commodities, gasoline, books, instructional supplies, insurance, and so forth. These items will be presented to the principal as gifts to the district and require acceptance by the Director of Facility Services or the Distribution Center Manager if the value is \$1,000 or more. Every effort will be made to keep the gift item at the intended campus; however, the need of the district must come first. A [Contribution Acknowledgment form](#) must be completed with proper approvals before gift is made.

To Employees:

It is the intent of the Board of Trustees that student and parental gifts to school district employees are an expression of appreciation, rather than a gift of significant monetary value. Employees shall in no way encourage students, parents, or support groups to present gifts. An employee shall not accept gifts during his instructional, supervisory or other activities at the school or administrative area. Any exception to this shall require a prior written approval by the Superintendent of the school district. All booster organizations will follow established [UIL guidelines](#) when considering the amount of the gifts.

Other Requirements

- The booster club must apply for tax-exempt status under IRS ruling that best applies for their organization if they will be seeking tax deductible contributions. Contact the IRS for information or forms at (877) 829-5500 or on the internet at <https://www.irs.gov/>.
- Principal must approve on-campus activities, including meeting times, place, dates, fund raisers and activities. Such activities cannot conflict with school schedules or activities, district policies or financial procedures, and must be in accordance with Texas Education Agency (TEA) and University Interscholastic League (UIL) guidelines. These will take precedence over booster club activities.
- The booster club must not be used to attempt to influence the sponsor, principal or other administrator's decisions or be a lobbying group concerning matters which are duties assigned to district personnel, such as trips, staffing, and schedules.
- The sponsor of the organization or administrators on their own campus shall not be a member, hold office, or have voting privileges on the executive board.
- On-campus activities, especially fund raisers, should not supplant, duplicate, nor interfere with those of other school or booster clubs. The principal has the authority to limit the number of on campus fund raisers. A [Fund Raising Application](#) must be submitted to the principal.
- Funds raised by Booster Clubs are expected to be used to benefit the students who participated in the school organization that year. Exceptions must be approved by principal and membership to carry funds forward. *Note: A tax-exempt booster club shall not credit funds raised to individual student or parent accounts. ([IRS Position](#))*
- The regular school program, co-curricular activities of the school and programs sanctioned by TEA, UIL and district-affiliated organizations will take precedence over booster clubs.
- All activities in which a student group participates travel or otherwise, will be approved in advance by the sponsor and the principal. At such activities, the sponsor shall have full authority at all times except as instructed by the principal or his designee.
- Booster Club members, parents, etc. are expected to follow the same standards of conduct as district employees when chaperoning, sponsoring, or attending student activities. These standards and rules of conduct may be found in the campus handbook.
- Each student or group of students' participation will be determined by the sponsor and the principal and not by the organization or any member(s). Participation is considered a privilege and not a right and will be based on a proven record of good conduct and dependability. Lack of such demonstrated behavior on the part of anyone will be grounds for disapproval for participation and travel.

Recommendations

- There is a liability to students, employees and the general public resulting from activities and/or travel of the booster organization. The district and its employees will not be responsible for any liability regarding accidents, injuries, medical expenses or other financial liability arising from the actions or activities of the booster club. It is recommended that booster clubs purchase liability exposure insurance from an agent or company of its choice.

Use of Individual Accounts for Members of District Groups or Clubs

The District has various groups or clubs whose revenues and expenditures are accounted for through activity accounts. Usually, a group or club will hold several fund raisers to help with the expenses of the group and possibly the related expenses of its members. **The Internal Revenue Service has indicated that individual accounts cannot be used by a tax-exempt organization.** The District is a political subdivision of the State of Texas and is considered a tax-exempt organization that may receive charitable contributions. **Any use of individual accounts for members of groups or clubs throughout the District is prohibited.**

In not using individual accounts, the general account for a group or club would be credited for all donations and amounts from fund raisers. These amounts could then be used to pay all or a portion of the costs associated with the group. For example, a group may plan to attend a competition that would cost \$500 per person. The group may be able to pay \$400 of the cost per person with the difference of \$100 being paid by the individual members. All of the members attending the competition would receive an equal benefit from the funds that had been raised.

Normally, all members of the group or club would benefit from any activity being paid by the group. However, in some instances, the group may want to have certain criteria met for a benefit to be given to a member of the group. For example, a person may be able to attend a particular competition and have the group pay for a certain amount of the cost if the person had attended 80% of the practices and had participated in at least two service projects. Some groups may base the criteria on service points. For example, a person may receive a point for each practice or special event attended. However, criteria should **not** be based on participation in fund raisers according to the IRS. Remember, if criteria to attend a particular event are established, exceptions cannot be made because your best performer did not meet the criteria.

According to the IRS, a group or club cannot require that a member participate in a fund raiser nor require that each member raise a certain amount. In addition, the IRS stipulates that a member who does not participate in a fund raiser would be entitled to the same benefits as those members who did participate.

In some instances, individuals may not be able to afford to pay the amount owed to participate in a particular event. The IRS has indicated that a group or club may establish criteria that could be used to determine if a person is in financial need. If the criteria are met, the group or club could provide the necessary funds to allow the individual to participate. The criteria should be established in writing prior to a particular situation arising. In addition, the criteria should be used consistently for all people, and the criteria should not change every year.

**Lewisville Independent School District
Booster Club Statement of Purpose**

School Year _____

Campus _____

Booster Club Name _____

President _____ Phone Number _____

Address _____ Email address _____

Vice President _____ Phone Number _____

Address _____ Email address _____

Treasurer _____ Phone Number _____

Address _____ Email address _____

Other Officers _____ Phone Number _____

Address _____ Email address _____

Sponsor _____ Phone Number _____

Address _____ Email address _____

Objectives of the Club and a brief statement as to how obtaining the objectives will have a positive effect on the educational programs of the District:

Approval by: _____ Date _____
(Principal's signature)

Distribution: Campus Principal

Lewisville Independent School District Booster Club Budget

School Year _____

Campus _____

Booster Club Name _____

Receipts:

Dues	\$ _____
Sales (Fund Raisers)	\$ _____
Donations (Cash)	\$ _____
Ads	\$ _____
Other	\$ _____

Total Receipts: \$ _____

Expenses:

Contracted Services	\$ _____
Travel	\$ _____
Fees	\$ _____
Purchases:	
Equipment	\$ _____
Concessions	\$ _____
Fund Raising Items	\$ _____
Other	\$ _____

Total Expenses \$ _____

Submitted by: _____, President or Treasurer

Received by: _____, Sponsor

Approved by: _____, Campus Principal

Date: _____

Distribution: Campus Principal, Membership

**Lewisville Independent School District
Booster Club Annual Report**

School Year 20__ - 20__ Campus_____

Booster Club Name_____

President _____ Phone Number_____

Address _____ Email address _____

1. Objectives and activities completed by the Club:

2. Money in account at the beginning of the school year: \$ _____

3. Money raised during the school year:

- A. _____ \$ _____
- B. _____ \$ _____
- C. _____ \$ _____
- D. _____ \$ _____
- E. _____ \$ _____

Total revenue for the school year \$ _____

4. Activities, equipment, materials, services, etc purchased:

- A. _____ \$ _____
- B. _____ \$ _____
- C. _____ \$ _____
- D. _____ \$ _____
- E. _____ \$ _____

Total expenditures for the school year \$ _____

5. Money in account at end of school year \$ _____

Preparer's Signature

Date

Distribution to Principal at completion of fiscal year

Lewisville Independent School District

Lewisville Independent School District Fund Raising Application FOR BOOSTER CLUBS

School: _____ Beginning Sale Date: _____

Club: _____ Ending Sale Date: _____

NOTE: DOOR TO DOOR SOLICITATION IS NOT ALLOWED BY LISD CLUBS/ORGANIZATIONS.

For what purpose(s) will the proceeds be used? _____

Description of Fund Raising Project: _____

Price(s) to be charged per item: \$ _____ Cost per item: \$ _____

Total amount earned from fund raising during this school year (excluding this fund raiser) \$ _____

Enter the number of fund raising activities this school year for this organization or club: _____

How will unsold items be handled?

EXPECTED INCOME (Product Sales or Sale of Services)

Estimated number of items to be sold _____(1)

Price to be charged for each item _____(2)

Estimated gross receipts (#1 x #2) _____(3)

Cost of items to be sold (per item) _____(4)

Total cost of items (#1 x #4) _____(5)

Sales tax (#3 x .0yyy) where yyy=your tax rate _____(6)

Other expenses anticipated (advertising, printing, etc.) _____(7)

Estimated profit (#3 - #5 - #6 - #7) _____(8)

Signature of Sponsor Date

Signature of Club President Date

Signature of Vice President or Treasurer Date

Approved by Principal Date

Date Application Received

Distribution to Club Treasurer, School Bookkeeper, School Principal

BC103.1
LISD (02/05)



Lewisville Independent School District

CONTRIBUTION ACKNOWLEDGMENT FORM

Lewisville Independent School District is a public school district and is a political subdivision of the State of Texas. The District is not a tax-exempt entity under the Internal Revenue Service (IRS) Code Section 501(c)(3). However, the District is considered a tax-exempt organization that may receive charitable contributions according to the IRS Code Section 170(c)(1). This section states that a charitable contribution means a contribution or gift to or for the use of:

“A State, a possession of the United States, or any political subdivision of any of the foregoing, or the United States or the District of Columbia, but only if the contribution or gift is made for exclusively public purposes.”

The District may receive charitable contributions if they are for public purposes, such as benefiting a group and not an individual. Contributions may be made to the District, District schools, District departments, or various District groups and clubs. These charitable contributions are deductible by the contributor on their tax return. The federal identification number of the Lewisville Independent School District is #75-6001955.

Please note, contribution made to various parent or community organizations, such as PTAs and Booster Clubs, are not contributions to the District. Since these organizations are separate entities from the District, The District’s tax-exempt status does not apply to these organizations. These organizations must apply for their tax-exempt status under IRS Code Section 501(c)(3). Evidence of their tax-exempt status would be a Determination Letter from the IRS. When a PTA or Booster Club donates monetary or non-monetary items to the District, then the donation is considered a contribution to the District.

Lewisville Independent School District greatly appreciates the support of:

Name of Contributor (Company or Person) _____

Address _____

Contact Name / Phone Number _____ / _____

through the contribution of:

Description of Item(s) Contributed and/or Monetary Contribution Received

Approvals:

_____/_____/_____ / _____ / _____
 Signature and Title of District Employee School or Location / Department Date

_____, Approval by Director of Facility Services or Distribution Center Manager (if over \$1,000)

Any donation that is \$1,000 or greater must be approved by the Director of Facility Services or the Distribution Center Manager before accepting donation.

Distribution Center use only:

FMV of donation _____
 Distribution Center to send copy of this form to Accounting if FMV is \$5,000 or greater.

Certificate

Campus: _____ **Org #:** _____

To the best of my knowledge, the _____
(Booster Club/PTA name)

- total gross receipts (income)
- and**
- balance to be carried forward (bank cash balance in all bank accounts)

For the fiscal year ending **2018-2019**.

_____ **do not** exceed \$4,819,695.00 (four **million**, eight hundred nineteen thousand, six hundred and ninety-five dollars)

_____ **do** exceed \$4,819,695.00 (four **million**, eight hundred nineteen thousand, six hundred and ninety-five dollars)

(OFFICER #1 PRINTED NAME) (TITLE) (DATE)

(SIGNATURE) (PHONE NO)

(OFFICER #2 PRINTED NAME) (TITLE) (DATE)

(SIGNATURE) (PHONE NO)

*Two signatures required.

Forward completed Certificate to Accounting **no later than July 1st**.

Lewisville ISD Accounting and Budgeting Department
Lewisville ISD Administrative Center
PO Box 217
Lewisville, Texas 75067-0217
Attn: Karen Schmidt, Sr. Accountant

Audit Report

Name of Booster Club _____ Date _____

The Audit Committee members named below have reviewed the financial reports and related financial activity for the time period of _____ through _____, in detail. These members agree that the Financial Report and the related financial activity are (check one):

- proper and correct
- correct with the following exceptions listed below
- incorrect and/or incomplete.

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

To prevent the above exceptions from occurring in the future, the following steps should be taken: (list actions)

- 1)
- 2)
- 3)
- 4)
- 5)
- 6)

Balance on Hand (date of last audit) \$ _____

Receipts
(from last audit to date of current audit) \$ _____

Disbursements
(from last audit to date of current audit) \$ _____

Balance on Hand (date of audit) \$ _____

_____	_____	_____	_____
Printed Name	Officer Title/Member	Signature	Date

_____	_____	_____	_____
Printed Name	Officer Title/Member	Signature	Date

_____	_____	_____	_____
Printed Name	Officer Title/Member	Signature	Date