



**PEORIA UNIFIED SCHOOL DISTRICT #11**  
**PARENT SUPPORT ORGANIZATION**  
**GUIDELINES**

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## **PARENT SUPPORT ORGANIZATIONS & BOOSTER CLUBS**

Parent Support Organizations contribute to the success of the Peoria Unified School District (PUSD) and can also provide the opportunity for parents and other community members to engage in fundraising activities for their local school. As Parent Support Organizations begin to participate in fundraising activities, tax reporting and legal issues may arise.

The following is for information purposes only and does not constitute the Peoria Unified School District rendering tax or legal advice. It is recommended that all supporting organizations consider consulting a legal or tax professional with questions that may arise during the course of business.

The students, teachers, staff, and administration thank you for your support.



## DEFINITIONS AND RESPONSIBILITIES

**Parent Support Organization/Booster Club** – A group of parents and/or community members who are organized to support a school-sponsored sport, activity, class or program. Parent Support Organizations support student groups, school activities, or programs. Support may be as simple as providing refreshments for a particular event, or support may be as complex as raising money for an out-of-state competition. The Parent Support Organization works through the Sponsor to provide assistance for the planned activities of a student group; however, the Parent Support Organization does not have the authority to decide the activities or trips in which the student groups will participate. The Parent Support Organization may provide suggestions about particular activities; however, the Sponsor is responsible for the final decision with the Principal's or Administrator's approval.

**Parent Support Organization Group Member** – A person who is an official member of a Parent Support Organization and, as such, is required to follow any and all rules guiding members as delineated in the bylaws or other official documents. Individual members do not have any express authority on behalf of the Parent Support Organization, unless as delineated by an office they hold and the duties and responsibilities of said office. Members at large should avoid any activity that could be construed as being a conflict of interest. Members may be charged a nominal fee for membership.

**Parent Support Organization Council** – A representative body of parents, Principals, Athletic Directors and staff/teachers/sponsors created for the purpose of supporting and representing each of their school's clubs and programs.

**Sponsor/Liaison** – A designated club sponsor or site staff member that serves as the Liaison between the Parent Support Organization and the district under the supervision of the Principal or Administrator. The liaison is responsible for recommending the various activities in which a student group will participate or fundraising needs with the approval of the Principal or Administrator. In addition, the Sponsor should work very closely with the Parent Support Organization and provide guidance to the organization. The Sponsor should not be considered an officer or member of the Parent Support Organization, or participate or be present in meetings specific to financial decisions/voting.

**Principal or Administrator** – The Principal or Administrator is responsible for approving the activities of the student group and some activities of the related Parent Support Organization such as on campus fundraising activities, facilities rentals, and off campus activities that include students.

**Donor** – A parent, community member or organization that provides funds to a Parent Support Organization or directly to the school district to support an activity or program. A person who makes a financial donation cannot expect any preferential treatment, receive any extra benefit or perceived benefit or have special access to staff or facilities or other preference unless expressly delineated as the condition of the funds donated (e.g. auction of a parking place) and approved by district administration and the Governing Board.

**Staff** – Paid employee of the district, including administrators, teachers, support staff and coaches.

## **PARENT SUPPORT ORGANIZATIONS**

### **GUIDELINES FOR OPERATION AND FINANCIAL RESPONSIBILITY**

- 1) Parent Support Organizations must obtain approval and support from the supported school's administration prior to forming and conducting business.
- 2) The Parent Support Organization should develop and adopt bylaws. These bylaws should include provisions for officers and their duties and term of office, electing or changing officers when necessary, amending the bylaws, and following Robert's Rules of Order, as well as other provisions in the Standard Sample Bylaws found elsewhere in this document.
- 3) Officers of the organization should be established as defined in the bylaws (usually: President, Vice President, Secretary, Treasurer).
- 4) Peoria Unified School District employees **should not** serve as officers of the organization. PUSD employees can serve in a non-officer capacity but neither they or their spouse can be an authorized signer on any bank accounts. Employees who serve as general members should be cognizant of potential conflict of interest situations and remove themselves from voting on any matter which may be perceived as a conflict of interest.
- 5) The organization should develop an annual budget plan and goals for the organization, and plan activities for the year based on the budget and shared site/parent organization goals.
- 6) The Treasurer should produce a monthly financial report after the receipt of each bank statement.
  - a) The report should identify all revenue sources during the month and reconcile with the deposits on the bank statement.
  - b) The report should itemize all expenditures paid during the month (including online payment and debit transactions and bank fees/miscellaneous charges), listing by

- date, check number (if applicable), who it is written to, description of expense, and dollar amount.
- c) Cash balances on the report should be reconciled to cash balances on the bank statement monthly. This reconciliation should be reviewed by a non-signatory prior to presentation and approval by the Board.
  - d) Copies of the report and bank statement (with account number not showing) should be made available to all board members monthly and any other members that request the report or show interest.
  - e) Board members should vote approval of the financial report(s) after being presented at all regular Board meetings. Approval should be noted in the minutes. Similarly, the financial reports should be presented and approved at all regular meetings of the general membership, with approval noted in the minutes. The financial reports should be maintained with the minutes for a minimum of three years.
- 7) Checking accounts should require two signatures on all checks. Monthly bank statements should be mailed to a P.O. Box and not an individual's home. Debit cards and online expenses payment services may be used, but it is highly recommended that strong policies be implemented which limit the number of cardholders/users and establish spending limits and expenditure purposes (such as budgeted or pre-approved purchases only).
- 8) To comply with the 2-signature requirement for checks, it is recommended that at least three, preferably four, people be authorized to sign checks.
- 9) Money collected through fundraisers and other organization activities should be accounted for, verified by, and prepared for deposit at the bank by TWO individuals. A duplicate deposit slip should be prepared.
- 10) Minutes of each Board Membership meeting should be produced, distributed to members, and maintained for at least three years. Copies of the same should be on file in the respective school offices.
- 11) General liability, Officer and Director Insurance and event specific insurance policies should be obtained as part of the organization's business practices. Valley School's Insurance Trust's policy includes property and liability insurance for Parent Support Organizations while on district property if the meetings and activities are approved and co-sponsored by the school/district. If a parent group has a non-school sponsored event

on district property through a facility rental agreement, PUSD liability waivers must be signed by all event participants.

- 12) Students are not permitted to babysit for Booster/PTO or any other meetings. Their services are not covered by the district's Insurance policy. Students have not been screened/fingerprinted as regular employees have been.
- 13) The district reserves the right to countermand any decision affecting the district's students or property.
- 14) If a parent organization wishes to compensate an employee for services (custodial, security, choreography, etc.), the employee must be paid through the district so that proper payroll deductions are withheld. The parent organization should coordinate with site administration regarding reimbursement and/or donation procedures related to the payment of wages and benefits.
- 15) When a Parent Support Organization dissolves, any remaining monies should be donated to the appropriate student club or site gifts and donations fund.

**Expectations of Parent Support Organizations and Parent Support Organization Members include:**

- Volunteering time and services to support the program.
- Participating in appropriate fundraising opportunities.
- Contributing funds to better enhance the team or organization's performance.
- Financially supporting the program by providing additional funding for the program.
- Listening to and working closely with the sponsor and PUSD administration.
- Making donations to the school district/program in compliance with policies and procedures.
- Communicating via Web sites, e-mail and social media in support of the program. Information should be timely and accurate, with key content approved by district administration and the school sponsor.

**Actions Parent Support Organizations and Parent Support Organization Members are discouraged from:**



- Openly discussing or performing a performance review of the sponsor, coach or other staff member. ***Staff evaluations are solely the responsibility of the school district.***
- Openly discussing playing time or participation issues of students.
- Leveraging funding of the program in order to control the hiring or firing of the sponsor or other staff members.
- Offering up a petition by Parent Support Organization members to hire/fire a sponsor/staff member.
- Planning, organizing or attempting to implement an off-season training program without direction or consent from the sponsor/staff member or appropriate school administrator.
- Discussing, as official business, any item that does not meet the definition and function of a Parent Support Organization as outlined in this document.
- Discussing any issues involving students that violate a student's right to privacy as delineated in Governing Board Policy.
- Participating in activities that violate policies and procedures of the Arizona Interscholastic Association (AIA).
- Recruiting players/students to attend/participate in the program in violation of district policy and AIA rules.

IMPORTANT NOTE: PUSD values the participation and contribution of our Parent Support Organizations. Please know that violation of District, State and Federal procedures, policies and laws may include, but not be limited to, **revocation of use of District facilities.**

## LEGAL AND TAX ISSUES

All Parent Support Organizations, PTSOs and PTAs are legally separate entities from the Peoria Unified School District. The organizations need to have their own bank accounts and taxpayer identification numbers. Parent groups cannot use the district's taxpayer identification number, accept donations on behalf of the district or issue a donation acknowledgement letter on behalf of the district.

Parent organizations may consider incorporation to provide a legal shield against certain liabilities that may pass through to the officers or members of the organization. Nonprofit incorporation also serves as the foundation for the organization to apply for tax-exempt status. If a parent organization chooses to pursue this option, the organization will need to contact the Arizona Corporation Commission (ACC) as well as draft articles of incorporation, bylaws and possibly annual filing with the Arizona Secretary of State.

### TAX ISSUES

A parent organization can complete an I.R.S. Application for Recognition of Exemption (Package 1023) to be recognized as a 501(c)(3) organization. "Parent-teacher associations" are specifically cited in the I.R.S. guidelines as examples of organizations that are suitable for 501(c)(3) tax-exempt status.

Tax-exempt status offers many advantages including:

1. The organizations revenues will be exempt from federal and Arizona income tax.
2. Contributors to the organization are permitted to take a charitable deduction for donated cash or goods.
3. The organization is eligible for a bulk-mailing permit from the U.S. Postal Service.

Small charitable organizations are not required to file a 501(c)(3) application if their gross receipts are normally less than \$5,000 per year. It is recommended that parent organizations and Parent Support Organizations visit the I.R.S. [website http://www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations](http://www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations) to review Publication 557 – Tax-Exempt Status for Your Organization and Publications 4220 and 4221 to see what tax filing requirements may apply to a Parent Support Organization.

# PARENT SUPPORT ORGANIZATION

## FUNDRAISER REQUIREMENTS

All outside parent organizations should provide a detailed listing of their projected fundraising activities to the school they support each year. This will include Parent Support Organization fundraisers with local corporate sponsors including grocery stores and other retailers that make donations based on patron purchases.

When Parent Support Organizations and Student Activity groups are involved in joint fundraising, the Attorney General has concluded that the proceeds must be allocated proportionately between the two entities, based on effort devoted by each group. The principal or designee is responsible for determining that effort and related allocation in advance of the fundraiser. This allocation is required per the Uniform System of Financial Records of Arizona School Districts (USFR), Appendix H and Attorney General (AG) (Opinion I84-032)

Parent Support Organizations should provide site administration with detailed information regarding each fundraiser including logistics, volunteer names and schedules at least 10 business days prior to the fundraising event. Fundraising activities including the sale of food must comply with the Peoria Unified School District's policies regarding food being sold on campus.

The detailed fundraising information should include:

- Purpose of the fundraiser,
- Type of fundraising activity (i.e., food sales, carnival, coupon books),
- Date(s), time(s), and place(s) of the activity,
- Name of the sponsoring organization,
- Name and phone number of organization's representative(s),
- Name and phone number of person(s) in charge of the fundraiser, and
- Name and phone number of the person(s) who will be handling the money for the fundraiser

**The Parent Support Organization cannot require members or students to fundraise or to raise a certain amount.** For example, a student's ability to attend a trip cannot be based on raising a certain amount of money. The Parent Support Organization may track funds for each student for accounting purposes only. **Students shall not be denied the opportunity to participate in a school-sponsored activity because of an inability to fundraise.** Fundraising is an opportunity to generate revenue for the Parent Support Organization as a group **and is not intended for individuals.** Therefore, revenues should be recorded in a group account from which all

members or students have the opportunity to **benefit equally**. One member or student should not receive a larger benefit from fundraising than another. In addition, if a member or student chooses not to participate in the fundraiser, that person still **receives an equal benefit** from the revenues generated.

For any “school-approved” fundraiser, on or off campus, at least one school employee must be present for supervision and safety purposes. If a school employee cannot be present, a school or district approved adult or volunteer may be acceptable. If no students are involved and the fundraiser is not on campus, neither PUSD nor school approval is needed. If fundraisers involve students, they are considered “Joint Ventures.” The money raised must be divided between the Parent Support Organization and the student club (school program) in proportion to parent and student involvement. A “Joint Fundraiser Request” form must be completed and signed prior to the event.

### **Participation Fees and Tax Credit Payments**

Parent Support Organizations are prohibited from collecting student participation fees or tax credit payments for a school sponsored event or programs. These types of payments need to be made at the school through Peoria Unified School District approved procedures.

## **RAFFLES**

Per Arizona Attorney General Opinion I84-018 school district clubs are prohibited from holding raffles. Even if the activity is called something other than a “raffle” the activity is prohibited if it involves the selling of a ticket for the chance to win a prize through a drawing.

Generally, entities that are not school controlled (such as off-campus, clubs, clubs sponsored by civic groups, or parent-teacher organizations) and entities that also fit within the tax exempt categories defined by A.R.S. 43-1201 may hold raffles if they also meet the requirements of A.R.S. 13-3302.B. In order to be eligible, the outside organizations need to also meet the following tests:

- The organization must be exempt from federal income tax under Section 501 of the Internal Revenue Code.
- The nonprofit organization needs to have been in existence continuously in Arizona for a five year period immediately prior to conducting the raffle.
- No person except a bona fide local member of the sponsoring organization may participate directly in the management, sales or operation of the raffle.

Due to the state imposed restrictions on public schools holding raffles, outside organizations should not advertise or conduct raffles on school property or use school resources or students to sell raffle tickets.

## **PURCHASING, DONATIONS AND GIFTS**

Parent Support Organizations may aid the school or program with the purchase of needed athletic equipment, uniforms and other supplies as determined by the program and the appropriate PUSD staff and Administrator. PUSD prefers purchasing through donated funds to the district instead of direct purchasing by the parent organization.

### **Direct Purchasing**

In the event the Parent Support Organization wishes to purchase items directly, they must do so in compliance with the bylaws and guidelines of the Parent Support Organization. Direct purchasing of tangible items requires a formal in-kind donation to the district. Items purchased by a parent organization must be billed to that organization. The school/district will not be responsible for the purchase of items directly ordered by a Parent Support Organization.

### **Purchase by Donation of Funds to the District**

Parent Support Organizations wishing to purchase athletic equipment for their teams must go through the sponsor/site administration and the athletic department for approval. The organization should not purchase equipment independently. After the equipment request is approved by site administration, the Parent Support Organization should donate the funds to the school's team/program, specifying the intended purpose and restricting the donation.

### **Cash and In-Kind Donations**

Both monetary and in-kind donations (supplies and other tangible support items) need to be formally recognized on the Request for Approval of Gift/Donation Form at the school the outside organization supports. Examples of in-kind donations include food, shade structures, teacher supplies, playground equipment, marquees and other tangible gifts.

### **Donations to Staff**

Checks should not be written to school staff to support classroom projects and school activities. Instead, the donation should be made to the school with the funds being restricted for the supporting organization's intended purpose.

### **Funding of Consultants or Off-Season Staff**

Parent Support Organizations are discouraged from hiring district staff directly for off-season or special consultant activities and camps. Instead, Parent Support Organizations are encouraged to make donations to the district through the Peoria Unified School District's Community Schools to support summer and other off season activities.

## RENTING SCHOOL FACILITIES

Parent Support Organizations are welcomed and encouraged to hold meetings and events on school grounds. Parent Support Organization rental costs are detailed in the PUSD rental schedule that is available on the District's website.

Proper procedure for renting school space is as follows:

**1) Complete a rental contract, available on the district's website, one month in advance of your event.**

**2) Identify if additional insurance is needed for your event.**

The Parent Support Organization will be required to supply a Certificate of Insurance that names the Peoria Unified School District as an additional insured for a non-district cosponsored event and will require participants to sign a PUSD liability waiver. The Certificate must state no less than \$1,000,000 General Liability and no less than \$100,000 Damage to Rented Premises. Additional insurance policies can be purchased for single day event through various insurance carriers. Events that typically require additional insurance include: carnivals, fundraisers, etc. that have rides, inflatables and food vendors, for example.

**In addition, any vendors requested to participate during a rental contract must also provide the required insurance certificates to the Peoria Unified School District as stated above.**

**3) Request a response from Risk Management.**

District Risk Management will review all rental contracts to determine safety for participants and district liability. If you are holding an event, such as a carnival, that will involve activities not normally part of the school day, please be sure to submit your rental contract well ahead of the event and specifically ask to be contacted regarding the decision of Risk Management.

For more information, see PUSD's Facility Rental Information and Fee Schedule, available at: <https://www.peoriaud.k12.az.us/dept/SS/Pages/FacilitiesRental.aspx> or contact Dana Orta at 623-412-5315 or [dorta@peoriaud.k12.az.us](mailto:dorta@peoriaud.k12.az.us).

## PARENT SUPPORT ORGANIZATION COMMUNICATIONS & ADVOCACY

Parent Support Organizations are independent of PUSD but must still abide by some of the laws that regulate school communications.

- 1) All school related information that parent organizations want to send home **in the hands of students** must receive prior approval of the site administrator or PUSD Public Relations.
- 2) The following disclaimer must be prominently displayed or affixed to the material for a non-school sponsored activity:

***The Peoria Unified School District neither endorses nor sponsors the organization or activity represented in this material. The distribution or display of this material is provided as a community service.***

- 3) All parent communications sent via the **parent organization e-mail system are not subject to administrative approval** but should be shared with site administration prior to distribution as a matter of practice.
- 4) Schools resources are **NEVER** allowed to be used for any advocacy, including elections and ballot measures. To be both legally politically active and compliant with Arizona state laws regarding school resources, please follow these guidelines:

When advocating for or against any ballot measure, **do not use any school resources**, including school copiers, paper, phones, and especially teachers or other employees.

When advocating for or against any ballot measure, **do not send literature home with students**.

When advocating for or against any ballot measure, **you may send information via your organization's e-mail systems**. PUSD employees can receive this information as well via their **personal email**; but they cannot use their PUSD email account or school computers to link to any advocacy sites or forward the information to others.



## FREQUENTLY ASKED QUESTIONS

**Question** – Is a parent organization an extension of the Peoria Unified School District?

**Answer** – All Parent Support Organizations, PTSOs and PTAs are legally separate entities from the Peoria Unified School District. The organizations need to have their own bank accounts and taxpayer identification numbers. Parent groups cannot use the district's taxpayer identification number.

**Question** – Can a PUSD employee set up a Parent Support Organization or PTSO to fundraise at their school?

**Answer** – PUSD can provide supporting organization parents with resource materials to help them conduct business as well as to provide them with copies of the district's procedures. The supporting organizations need to obtain their own taxpayer identification numbers, develop their own club by-laws, elect officers, establish budgets, etc. District staff cannot do this on behalf of the supporting organization.

**Question** – Can parent organizations use students to help with a fundraiser?

**Answer** - If a parent organization plans a fundraiser that will involve student effort, the parent organization and the school principal (or the student club sponsor) should agree in advance to an allocation of proceeds. The allocation must be based on the level of effort devoted by each group.

**Question** – Can a Parent Support Organization or PTSO hold a raffle as a fundraiser?

**Answer** - Per Arizona Attorney General Opinion I84-018 school district clubs are prohibited from holding raffles. Even if the activity is called something other than a "raffle" the activity is prohibited if it involves the selling of a ticket for the chance to win a prize through a drawing.

Generally, entities that are not school controlled (such as off-campus, clubs, clubs sponsored by civic groups, or parent-teacher organizations) and entities that also fit within the tax exempt categories defined by A.R.S. 43-1201 may hold raffles if they also meet the requirements of A.R.S. 13-3302.B. In order to be eligible, the outside organizations need to also meet the following tests:

- The organization must be exempt from federal income tax under Section 501 of the Internal Revenue Code.
- The nonprofit organization needs to have been in existence continuously in Arizona for a five year period immediately prior to conducting the raffle.
- No person except a bona fide local member of the sponsoring organization may participate directly in the management, sales or operation of the raffle.

Due to the state imposed restrictions on public schools holding raffles, outside organizations should not advertise or conduct raffles on school property or use school resources or students to sell raffle tickets.

**Question** – Can a Parent Support Organization or a PTSO make a purchase on behalf of the school they support and then receive reimbursement from the district?

**Answer** - If a purchase is made by the outside organization, it is considered a donation to the district.

**Question** – Do we have to treat food, shade structures, teacher supplies and other tangible gifts as donations?

**Answer** – Yes, all cash and in-kind donations must be recognized on the Request for Approval of Gift/Donation Form at the school.

**Question** – Why may the district ask parent organizations to provide financial documentation?

**Answer** - The Peoria Unified School District has an annual financial audit that is performed by an outside CPA firm. The district's auditors may require us to contact all of our PTSOs, PTSAs, Foundations and Parent Support Organizations to ask for certain financial information to determine if the organization's support is at a level where the financial activity would need to be included in the district's Comprehensive Annual Financial Report.

**Question** – Why may the district ask for the parent organizations to complete an information sheet each year?

**Answer** – Parent organization contacts and officers may change year to year. The information sheet gives the District Office current contact information for our audit inquiries as well as to have updated fundraising information for the year on file.

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*As parent organizations begin to participate in fundraising activities, tax reporting and legal issues may arise. The Peoria Unified School District cannot render tax or legal advice to our parent organizations. However, we can assist these organizations by referring them to state and federal resources that may provide answers to their questions. If you need assistance, please call Business Services at 623-486-6033.*

## **PARENT SUPPORT ORGANIZATION CHECKLIST**

The following Checklist serves as a guide to help ensure that your Parent Support Organization has complied with the district's policies, guidelines and federal and state regulations governing Parent Support Organizations. In addition, information you document here will help future officers continue your compliance efforts.

### **General**

1. Provide Peoria Unified School District Internal Audit and the site Principal or Administrator with a list of the Parent Support Organization Officers and sponsor/liaison at the beginning of each school year and as Officers change.

The list should include:

- Name
- Office Held
- Authorized signatories on bank account(s)
- Mailing Address – must be the official address of the Parent Support Organization
- Home Phone Number
- Work Phone Number
- Cell Phone Number
- E-mail Address

2. Provide the School Principal or Administrator with the Parent Support Organization's constitution or bylaws. In addition, provide updated copies as amended.

### **Insurance**

3. The Parent Support Organization should consider purchasing a general liability, event liability, and/or fidelity (bond) insurance coverage policy.

### **Fundraisers**

4. For the fundraisers planned, such as on campus fundraising activities and off campus activities that include students, submit the Joint Fundraiser Approval Form to the Sponsor and the Principal or Administrator for approval at least 20 business days in advance of the activity whenever possible.

In addition, provide the Sponsor with detailed information, including logistics, volunteer names and schedules at least 10 business days prior to the fundraising

event. Fundraising activities including the sale of food must comply with the Peoria Unified School District's policies regarding food being sold on campus.

5. The detailed fundraising information should include:

- Purpose of the fundraiser
- Type of fundraising activity (i.e., food sales, carnival, coupon books)
- Date(s), time(s), and place(s) of the activity
- Name of the sponsoring organization
- Name and phone number of organization's representative(s)
- Name and phone number of person(s) in charge of the fundraiser
- Name and phone number of the person(s) who will be handling the money for the fundraiser

6. Financial Matters

- The Parent Support Organization's Employee Identification Number (EIN) or Tax Identification Number (TIN) should be used when opening a bank account. **Do not use an individual's social security number, and do not use the district's EIN. The TIN should be issued by the Internal Revenue Service.**

### **Federal and State Reporting and Compliance**

7. Determine whether your organization is in good standing with the state of Arizona, specifically the Corporation Commission and the Arizona Department of Revenue (if applicable) and Arizona Secretary of State.
8. Determine whether your organization is in good standing with the IRS.
9. Present a written Treasurer's Report at every meeting that includes the general membership.
10. File the Parent Support Organization's reports as required by the Arizona Corporation Commission and Arizona Secretary of State.
11. For the purposes of Parent Support Organization recognition, provide a copy of the written Parent Support Organization Financial Report for the applicable school year to PUSD Internal Audit by September 15<sup>th</sup> of each year. For example, a report for the 2014-2015 school year should be submitted by September 15, 2015.

12. Issue 1099 forms to applicable individuals or businesses by January 31<sup>st</sup> of each year. If 1099 forms are issued, send information to the IRS by February 28<sup>th</sup> of each year. District employees **shall not** be hired by the Parent Support Organization, but must be paid by the District.
13. File the IRS Form 990, 990-EZ, or 990-N, Return of Organization Exempt from Income Tax, each year.

### **State Regulatory Information**

- The Arizona Corporation Commission governs the conduct and compliance of all for profit and non-profit organizations in the state of Arizona. Filings with the Corporation Commission generally require fees. Detailed information may be found on the website: <http://www.azcc.gov>
- Parent Support Organizations must file initially to become a legal organization if they intend to provide significant financial support for a school program.
- An annual report must be filed with specific information each year as required by the Corporation Commission. Filing may be done electronically if the organization meets the criteria as listed.
- If an organization makes changes, it may be required to submit articles of amendment.
- If an organization is going to be dissolved, a dissolution form must be submitted and the District must be notified.
- An annual renewal must be filed with the Arizona Secretary of State. More information is available on the website: <http://www.azsos.gov>

## STANDARD – SAMPLE BYLAWS

### ARTICLE I: NAME

**Required** The name of the organization shall be the (School Name and Activity/Program) Parent Support Organization/Booster Club.

### ARTICLE II: OBJECTIVES

- Optional** 1. To broaden and enhance programs which support high caliber education by supplementing the school’s curriculum with diverse educational items that would otherwise be unavailable because of financial constraints.
- Optional** 2. To assist the coach/sponsor/director of (School Name Activity/Program) in creating a vital and productive school experience for each student.
- Optional** 3. To provide a process for ensuring effective communication between parents and coach/sponsor/director of (School Name Activity/Program).
- Optional** 4. To provide a means for actively involving parents and extending the level of participation in planning and implementing school activities that involves students and their families.
- Optional** 5. To collaborate with the community, taking advantage of community resources, which benefit family involvement and student learning.
- Optional** 6. To raise funds and provide volunteers to extend and strengthen the purpose of (School Name Activity/Program).

### ARTICLE III: POLICIES

- Required** 1. The organization shall operate under the name \_\_\_\_\_, an Arizona non-profit corporation, and adhere to the rules and guidelines for tax-exempt 501(c)3 organizations.
- Optional** 2. The program of this organization shall be supportive and shall be developed through conferences, committees and projects.
- Optional** 3. This organization is an independent organization and shall not seek to direct administrative activities of the program or control its policies, except in an advisory capacity.
- Optional** 4. This organization shall be non-commercial, non-sectarian and non-partisan. The names of any members in their official capacities shall not be used in any connection with a commercial concern or with any partisan interest.

- Required** 5. This organization shall follow the policies and standards of the Peoria Unified School District.
- Required** 6. The Peoria Unified School District reserves the right to countermand any decision affecting the district's students, staff or property.
- Required** 7. In case of dissolution of the organization, the assets of the organization shall be deposited to the (School Name Activity/Program) Activity Fund.
- Required** 8. When the Parent Support Organization/PTO and Student Clubs are involved in joint fund-raising, the Attorney General has concluded that the proceeds must be allocated proportionately between the two entities, based on effort devoted by each. The coach/sponsor/director is responsible for determining that effort and related allocation.

**ARTICLE IV: MEMBERSHIP**

- Optional** 1. Any person interested in the objectives of the organization and willing to uphold its policies and subscribe to its By-laws shall be considered a member.
- Optional** 2. Any parent or legal guardian of a student currently active in the (School Name and Activity/Program) shall be considered a member. The By-laws need to clarify what the parents' expectations are.
- Optional** 3. Any coach/sponsor/director of (School Name Activity/Program) shall be considered a member.
- Optional** 4. This organization shall have no monetary dues.
- Optional** 5. The organization will consist of Executive Board Members, Committee Members and members at large.
- Optional** 6. The privilege of holding office, making motions, debating and voting shall be limited to the members of the organization.

**ARTICLE V: OFFICERS AND ELECTIONS**

- Required** 1. Officers shall be as follows:
  - Required** A. President or Chairperson (elected)
  - Optional** B. Vice President or Vice-Chairperson
  - Required** C. Secretary (elected)
  - Required** D. Treasurer (elected)

- Optional**                    E.        Others, as desired
- Required**                2.        Nomination of officers shall be taken during the April general Parent Support Organization/PTO meeting. Elections and installment of new Board members shall be during the May general Parent Support Organization/PTO meeting.
- Required**                3.        Election shall be by ballot.
- Required**                4.        Officers shall begin their term(s) following the last Parent Support Organization/PTO meeting of the year.
- Required**                5.        Outgoing officers shall transfer books, bank accounts to the newly elected board upon reconciliation of June bank statement, or upon the discretion of both boards.
- Required**                6.        The Executive Board shall fill vacancies by appointment.
- Required**                7.        All positions are volunteer positions. Officers are expected to devote time in the day-to-day operations, attend general and Executive Board meetings, participate in Parent Support Organization/PTO fundraising efforts and sponsored events.
- Required**                8.        District employees may not hold office.
- Required**                9.        Executive Board members shall serve for a term of one year. There shall be no limits on the number of terms a board member may serve.
- Required**                10.       Executive Board will meet before every general Parent Support Organization/PTO meeting and set agenda.
- Required**                11.       Executive Board will set the Parent Support Organization/PTO budget before the first general Parent Support Organization/PTO meeting.

**ARTICLE VI: DUTIES OF OFFICERS (Minimums - Clubs may add additional duties.)**

- Required**                1.        President
  - A.        Attend Parent Support Organization/PTO meetings.
  - B.        Chair Parent Support Organization/PTO meetings.
  - C.        Enforce all by-laws and policies.
  - D.        Assist and coordinate chairpersons, as needed.
  - E.        Outline and supervise all Parent Support Organization/PTO fundraising efforts.



- F. Set general and Executive Board meeting times.
- Required** 2. Secretary(s)
- A. Attend Parent Support Organization/PTO meetings.
  - B. Attend Executive Board meetings.
  - C. Record and maintain written documentation of all meetings, executive and general. As a minimum, minutes must include a list of all expenses (amount, date expended, description and check number, if applicable) since the last minutes were approved.
  - D. Present a written report of previous Parent Support Organization/PTO meeting minutes.
  - E. Handle correspondence of the organization.
- Required** 3. Treasurer(s)
- A. Attend Parent Support Organization/PTO meetings.
  - B. Attend Executive Board meetings.
  - C. Coordinate and maintain financial records for all Parent Support Organization/PTO sponsored fund-raising activities.
  - D. Maintain all Parent Support Organization/PTO bank accounts, keeping accurate records of all receipts and expenditures.
  - E. Receive all monies of organization, and make deposits into bank account.
  - F. Present a current report of financial status at Parent Support Organization/PTO meetings.
  - G. Prepare a monthly bank reconciliation for all bank accounts, and ensure that reconciliations are reviewed by a non-signatory.

**Required** Each Parent Support Organization/PTO must select a Representative and an Alternate Representative. Most organizations select current officers (typically, the President as the Representative and the Treasurer as the Alternate Representative, or vice versa); if so, add to the respective duties above. If members-at-large are to be selected, then identify selection process in Article III, Section 1 instead.

**ARTICLE VII: REVENUE AND EXPENDITURES**

- Required** 1. Bank Accounts
- A. PTO shall establish and maintain a checking account for the sole use of receiving and disbursing funds.
  - B. Account shall have at least three signatures, preferably four, on the account. Board members/officers shall be authorized to sign checks, unless the Board member/officer is a District employee.
  - C. Two signatures shall be required on all checks disbursed.
  - D. Bank account shall be reconciled by Treasurer monthly. The reconciliation shall be reviewed by a non-signatory and included in the minutes.
- Required** 2. Expenditures
- Optional** A. A budget must be presented at the first general Parent Support Organization/PTO meeting of the school year.
  - Optional** B. All expenditures/check requests must have two signatures.
  - Required** C. All expenditures, including online payments and debit card transactions, must be supported by an invoice/receipt.
  - Optional** D. Expenditures over \$\_\_\_\_\_ must be voted on and approved at a general Parent Support Organization/PTO meeting.
  - Optional** E. Expenditures under \$\_\_\_\_\_ may be approved by at least two Executive Board members.
  - Required** F. All expenditures, including online payments and bank fees/charges, must be listed and approved in the minutes. The detail should include:
    - 1) Amount of expenditure.
    - 2) Date of expenditure.
    - 3) Description of goods or services purchased.
    - 4) Check number, if applicable.
- Required** 3. Revenues

A. At least two members of Parent Support Organization/PTO must count and verify all monies received and prepare bank deposits. A duplicate deposit slip must be created.

B. Treasurer must make all deposits in a timely manner.

**Required** 4. The following financial statements should be prepared monthly and presented to members for approval at all regular meetings of the general membership. Financial reports for the 12 months ended June 30<sup>th</sup> must also be presented for approval at a regular meeting of the general membership.

A. Balance sheet

B. Statement of activities showing revenues, expenses and fund balance or net assets

**Required** 5. An annual financial report must be provided to the Peoria Unified School District upon request. The format of this report shall be determined jointly by the district and the Parent Support Organization. The report should contain the same information that shall be used for consolidated tax return preparation.

#### **ARTICLE VIII: MEETINGS**

**Optional** 1. Executive Board Meetings

A. Executive Board members shall consist of the Parent Support Organization/PTO President or Vice President or Chairperson(s), Vice-President or Vice President or Chairperson(s), Secretary(s), Treasurer and sponsor/coach/director.

B. Executive Board members shall meet prior to every general Parent Support Organization/PTO meeting, setting agenda.

C. Special Parent Support Organization/PTO meetings may be called by the Executive Board members.

D. The budget for the new school year shall be decided upon by the Executive Board members and presented at the first general Parent Support Organization/PTO meeting.

E. The Board shall approve financial statements at year-end.

**Optional** 2. General Parent Support Organization/PTO Meetings

A. Regular meetings of the organization shall be held a minimum of two times per school year.

B. Regular meetings of the organization should be held monthly, with the first being in August and the last in May (unless otherwise decided upon by the organization or Executive Board members).

- C. The last meeting of the school year shall have election and installment of new Executive Board members.

**ARTICLE IX: COMMITTEES**

- Optional** 1. The Executive Board members shall create committees, as deemed necessary, to promote the objectives and carry on the work of the organization.
- Optional** 2. A designated chairperson will be appointed for each committee.
- Optional** 3. Chairperson of each committee shall present a plan of work to the Executive Board for approval.
- Optional** 4. No committee work shall be undertaken without the consent of the Executive Board.
- Optional** 5. All flyers/correspondence of committees must have the approval of President or Vice President or Chairperson(s) before distribution.
- Optional** 6. Since special committees are created for a specific purpose, they are automatically disbanded when their work is done and their final reports are submitted in writing to the Executive Board.

**ARTICLE X: PARLIAMENTARY PROCEDURES**

- Required** 1. Roberts Rules of Order Revised shall govern this organization in all cases to which they are applicable.

**ARTICLE XI: AMENDMENTS**

- Required** 1. These Bylaws may be amended at any general meeting of the organization by a two-thirds vote of the members present and voting. It is suggested that Bylaws be available for review at one general meeting to be voted on at the next general meeting.

## EXHIBITS



**JOINT FUNDRAISER REQUEST**

School:
PTO/Booster Club Name:
Expected Student Involvement (school-wide or specific school organization):
Proposed Fundraising Activity ( <b>please be specific</b> ):
Purpose of Fundraiser:
Anticipated Dates: Beginning <a href="#">Click here to enter a date.</a> Ending <a href="#">Click here to enter a date.</a>
Booster Club/PTSO Participation %:                      Student Club Participation %:
Margin of profit (if applicable):
Method by which student club will receive income:
Booster Club/PTSO Contact email:                      Phone:
Signature of Booster Club/PTSO:

**For Booster Club/PTSO Board to complete**

Approved by: _____	Date: _____
Booster Club/PTSO	
Approved by: _____	Date: _____
Teacher Sponsor	
Approved by: _____	Date: _____
School Administration	
<b>Submit to School Secretary when complete to obtain administrative approval.</b>	

**ADMINISTRATIVE APPROVAL**

PRINCIPAL: \_\_\_\_\_ Date: \_\_\_\_\_

DISTRICT OFFICE: \_\_\_\_\_ Date: \_\_\_\_\_

Form is to be submitted to the School Secretary. Upon approval or denial, the School Secretary will contact the booster Club/PTSO Sponsor at the email provided above.



**Parent Organization/Booster Club Information Sheet  
2017/2018 School Year**

PTO/Booster Club Name:

Mailing Address Street:

City:

State: AZ Zip:

School or Group You Support:

Banking Institution:

Authorized Bank Acct. Signers:

501(c)(3) Exempt Organization?  Yes  No

Name of Your Organization's Accountant or CPA Firm:

Compiled/Reviewed or Audited Financial Statements?  Yes  No

**CLUB OFFICER INFORMATION**

**PRESIDENT**

Name:

Address:

City/State/Zip:

Phone:

**VICE PRESIDENT**

Name:

Address:

City/State/Zip:

Phone:

**SECRETARY**

Name:

Address:

City/State/Zip:

Phone:

**TREASURER**

Name:

Address:

City/State/Zip:

Phone:

**2017-2018 Fundraising Activities**

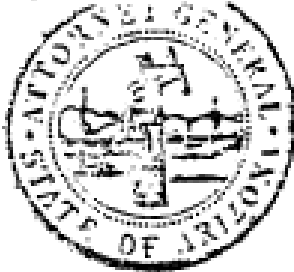
Please list below the scheduled fundraising activities for the 2017-2018 school year. Please indicate if the fundraiser will be on school property or will be a partnership with PUSD students and staff.

Please list below the retailer programs (Target, Fry's "Cool Cash", Safeway,, Box Tops, etc.) your organization has established for fundraising during the 2017-2018 school year.

Thank you for your assistance. Please return the completed form to your school Administration. Please contact Michelle Myers at the PUSD District Office at 623-486-6033 with questions.

Completed By:

Date:



Attorney General  
1275 WEST WASHINGTON  
Phoenix, Arizona 85007

Robert K. Corbin

March 7, 1984

Ms. Janis Sandler  
Udall, Shumway, Blackhurst,  
Allen, Lyons & Davis, P.C.  
Attorneys at Law  
30 West First Street  
Mesa, AZ 85201

Re: 184- 032 (R83-176)

Dear Ms. Sandler:

We have reviewed your opinion dated November 28, 1983, to the Mesa Unified School District concerning student activities funds in which you responded to the following questions:

1. May a student organization participate in a joint project with a PTO or PTA organization to raise funds, dividing the proceeds between the two organizations, or must all funds which involve student efforts be allocated to student activities funds?

2. May student activities funds be used for activities such as an artist-in-residence or science camps which are entertainment but have educational overtones?

Your opinion is revised as follows:

With regard to the first question, we note initially that the statutes do not specifically address joint projects such as those addressed in your letter. We believe that the determination of whether a student organization can participate in a project with a non-student organization should be made by the school administration which should determine what proportion



Ms. Janis Sandler  
March 7, 1984  
Page 2

of the total project will consist of student efforts. As to money generated by such a project, A.R.S. § 15-1121 provides in part that "[all monies raised . . . by the efforts of students in pursuance of or in connection with all activities of student organizations, clubs, school plays or other student entertainment other than (auxiliary operations funds) are student activities monies." Thus, of the total funds raised by a joint project, only those funds attributable to the efforts of the students are student activities funds. We therefore conclude that students and other groups may participate in joint projects with the proceeds being allocated proportionately between the two based upon the proportion of effort devoted by each participating organization.

With respect to the second question, A.R.S. §§ 15-1121 and 15-1122 do not limit the purpose for which the student activities funds may be spent. Students may therefore use the funds for educational activities or programs. Ariz. Atty. Gen. Ops. 182-030 and 158-13.

The Uniform System of Financial Records § VII-C-1(10) is consistent with our opinion. We believe that provision was intended only to prohibit student activities funds from being used to pay previously incurred district expenses and was not intended to prevent those funds from being used to supplement the educational programs of the district as long as that decision is made by the students without any coercion from district personnel.<sup>1</sup>

Sincerely,



BOB CORBIN  
Attorney General

BC/VBW/pd

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1. We note that statements you attributed to Ariz. Atty. Gen. Op. 182-054 were not made by the Attorney General, but were made in the opinion which we declined to review pursuant to A.R.S. § 15-253. In addition, Ariz. Atty. Gen. Op. 58-101 does not stand for the proposition that student activities funds may not be used for travel expenses for school personnel or for private parties. That opinion addresses the reimbursement of travel expenses of school superintendents and principals by the school district in light of A.R.S. § 15-444 (now A.R.S. § 15-342) which pertains to the power of governing boards to expend money for travel expenses.