

**GUIDELINES FOR
PARENT GROUPS
WORKING WITH SCHOOLS**



**Arlington School District
315 N French Ave
Arlington, WA 98223**

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OPERATING PROCEDURES

Booster Clubs, PTA and PTO are separate entities from the school. In most cases, a Booster Club supports and/or supplements athletic, music or drama programs at a school. PTA/PTO most often serves to enrich or supplement any school program. Neither a Booster Club nor a PTA is a "school-related organization".

Although these programs are not governed by the school district, they must follow certain local and school district policies and procedures, especially when renting district facilities, gifting donations, or involving student groups.

Attached to this document are more detailed written procedures and legal references that will guide a Booster Club or PTA/PTO in working with the school district. For more quick reference, below are summary guidelines that outline the basic legal and procedure requirements. This information is compiled using information from the Washington State Auditor's Office and Washington Association of School Business Officials.

When is it an ASB Activity?

WAC 392-138-010 defines "Associated student body program" as:

"...an activity which (a) is conducted in whole or part by or in behalf of an associated student body during or outside regular school hours and within or outside school grounds and facilities, and (b) is conducted with the approval, and at the direction or under the supervision, of the school district."

What turns a Booster/PTA/PTO activity into an ASB activity? One or more of the following apply:

- The cash receipts are given to a school employee.
- The cash receipts are kept in a school safe.
- The inventory is purchased by the ASB.
- The school holds and inventories the items for resale.
- Students are the only ones performing the work.
- The outside group uses the school's name (without adding PTA or Boosters).
- Money is deposited into a school district account.

- School district staff are involved during the time they are being paid by the school district.

To be a Booster/PTA/PTO activity, it must be:

- Planned, managed and operated under the direction of the parent group.
- Event must be clearly advertised as a Booster/PTA/PTO activity.
- All contracts and/or vendor agreements must be signed by the parent group.
- PTA moneys may not be commingled with ASB moneys.

School District responsibilities:

- Determine what activities will be approved parent group activities.
- Have procedures in place for activity and/or facility usage requests and approval.
- Have an agreement in place if parent groups are allowed to store items on school district property. (see attached sample agreement)
- All fund donated to any program will go through the donation acceptance process and be distributed through the school district account process

Parent Group Checklist:

- Have insurance certificate sent from insurer to School District Facilities Coordinator
- Articles of Incorporation from Secretary of State
- IRS tax exempt status letter or identification letter
- List of current officers (list should not include any school employees)
- Proof of health cards (if food is sold)
- List of equipment owned by parent group

Financial Transaction requirements when Booster/PTA/PTO donates funds to a school or program:

1. School employee receives pre-approval from supervisor to request funds or fundraising from parent group using the proper request procedures as outlined by parent group.
2. Parent group board considers request and acts upon it according to group by-laws and procedures.

3. Funds raised by a parent group (student support organization) and donated to the district will follow the district donation procedures. Any donation amount over \$1000 must be approved by the School Board. Amounts below \$1000 are subject to Superintendent (or designee) approval. The district will take steps to ensure equitable distribution of funds and/or resources.
4. Parent group completes school district donation form delineating the program to receive funds, designation of the funds, amount of the funds and date to be spent. This form is signed by the parent group president.
5. Donation form is sent to the building/program administrator.
6. If the donation exceeds \$1000, administrator submits the donation to the School Board Secretary for inclusion on a board agenda for acceptance.
7. Once the board approves the donation, the funds are deposited into the school/program account and made available to the program receiving the donation. Board Secretary sends thank you to parent group.
8. Donations under \$1000 may be sent directly to the school administrator to be deposited into the program's General Fund or ASB account according to accounting procedures. Building/program sends thank you to parent group.
9. All ASB donations expenditures must be approved by the ASB using proper accounting procedures. (see ASB manual)
10. Under no circumstances should employees accept funds directly from the parent group. If they do, this is considered as income to the employee and the parent group may need to issue a 1099 Reporting Form to the employee by January 31st of the next calendar year to meet employee's tax reporting requirements.
11. Parent group funds raised to provide scholarships for students attending enrichment activities should be donated to the District if the District is paying for the activity. If a student is paid for selling materials and the funds are not being used as a scholarship, the parent group should pay the student directly after depositing the funds into the parent group's account.

For more detailed information regarding how to work with school ASB organizations, download the [WASBO ASB Procedures Manual](http://www.wasbo.org/displaycommon.cfm?an=13) at:
<http://www.wasbo.org/displaycommon.cfm?an=13>

For additional information for Parent Group organizations, visit the PTA website at:

<http://www.pta.org/>

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INTRODUCTION

Parent Booster Clubs are separate entities from the school and school district. They generally support and supplement the athletic and music programs of a specific school although they can also support other school activities. Encouragement to involve parents in these school activities comes from the local school board and the superintendent. This volunteer involvement provides added resources for both students and staff. All such groups must follow school board policy regarding recognition by the school district.

Although these groups are not governed by the school district, they must follow certain local school district policies and procedures especially when renting district facilities, gifting donations, or involving student groups.

Staff participation, cooperation and support are encouraged if employees would like to become members of the Booster organization. However, district employees are discouraged from holding an official position or having signature authority with a Booster Club due to potential conflicts of interest. (RCW 42.23)

To legally solicit donations or fundraise, Booster Clubs must register with the Secretary of State as a non-profit corporation as well as a charitable organization. Booster Clubs usually have elected officers, membership, and pass an annual budget. They are subject to their Articles of Incorporation and Bylaws.

It is recommended that they become a 501 (C) 3 non-profit organization and maintain clear communications with the building principal (or their designee) regarding their activities. In many districts, Booster Clubs are officially recognized by the local school board. They must carry liability insurance for their activities, particularly when renting district facilities. Additional special insurance may also be required if the Booster Club sponsors athletic events.

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In order for funds to belong to a Booster Club, **the entire activity must have been conducted at the direction and/or under the supervision of the Booster Club.** This means that the Booster Club must be clearly in charge of the activity from start to finish.

To determine if the Booster Club directed or supervised the activity, **all** of the following criteria are used:

1. If there was a contract involved, **the Booster Club must have signed the contract in accordance with their bylaws.** If someone else (i.e., a school district representative) signed the contract, then the activity is not a Booster activity but becomes a school activity under the direction of the ASB.

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2. The Booster Club must have been involved in the creation and planning of the activity, as well as the implementation, operation and management of the activity. It must also:
 - provide the majority of manpower for the activity through its non-student volunteer members;
 - have a properly structured committee for the activity;
 - provide insurance for the activity and;
 - handle all financial aspects of the activity including: product management, sales, and security of assets.
3. School district employees should be involved only on their own personal (non-staff) time unless the employee's job description requires them to serve in an advisory capacity.
4. The activity **must**:
 - have been approved by the Booster Club membership or Executive board; and
 - be part of the organization's budget.
5. A facility use permit may be required by the school district, in accordance with district policy.

When students are asked to participate in a Booster fundraiser, it must be clearly advertised that the activity is a Booster event. Students are discouraged from collecting money for the Booster Club. A contract between the Booster Club and the ASB is advisable when students are asked to work a Booster event, because it clearly defines the responsibility and distribution of the funds.

Donations:

Booster groups wishing to make a donation of either goods or money to a school should contact the building Principal to determine district policies and guidelines governing donations.

Booster Clubs need to be aware of the equity issues when donating money and/or equipment to the school's athletic teams. Title IX issues for equity comes into play when donations favor one segment of athletics over another, e.g., boys' over girls' sports. For information on Title IX questions, contact the Office of Superintendent of Public Instruction (OSPI) website: <http://www.k12.wa.us/equity>.

A helpful resource for Booster Clubs is the booklet printed by Washington State PTA, *PTA and the Law/Volunteers and the Law*. It is a basic outline of the state and federal rules, regulations, and laws, which affect private, nonprofit, tax-exempt organizations. (1-800-562-3804)

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INTRODUCTION

Parent support groups such as PTA/PTSA and PTO, in cooperation with the school administrative staff, are very helpful, needed, and can be an enriching component to the school climate. Encouragement to involve parents comes from the local school board and the superintendent. Their volunteer involvement provides added resources for both students and staff.

PTA and PTSA are proprietary names and are registered service marks. (This is the same legal status as a trademark, but is the designation used for services). Groups may only use "PTA/PTSA" if they are registered with the National Congress of Parents and Teachers and the Washington State PTA. PTO's are not part of the National Congress of Parents and Teachers or the Washington State PTA.

A PTA or PTO is not a "school-related organization." Each PTA and PTO is a local, self-governing, nonprofit (and usually, tax-exempt) membership association with their own set of bylaws, elected officers and membership. PTAs and PTO's pass an annual budget and are subject to the Articles of Incorporation and the Bylaws, but PTAs are also subject to the Washington State PTA to which they pay membership dues. PTO's also have membership dues, but usually they remain at the local PTO level. PTAs and PTO's are encouraged to obtain 501 (C) 3 status and must carry liability insurance.

Washington State PTA offers assistance to local units. Publications such as *Washington State PTA Money Matters* and *PTA and the Law* outline the requirements for the proper handling of PTA funds and how PTAs operate. PTO's can also benefit from these publications as they help direct volunteer organizations with state and federal rules which affect private, nonprofit, tax-exempt organizations.

Staff participation, cooperation and support of PTAs and PTO's are encouraged. However, employees are discouraged from holding an official position or having signature authority with a PTA or PTO due to potential conflicts of interest. (RCW 42.23)

If the PTA or PTO holds a fundraising activity at a school, on or off school district property, or involving students, **and** is conducted at the **direction or under the supervision of the PTA or PTO**, the money belongs to the PTA or PTO. See the Washington State PTA publication, *PTA and the Law*, for further clarification.

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In order for these funds to belong to the PTA or PTO, **the entire activity must have been conducted at the direction and/or supervision of the PTA or PTO**. This means that the PTA or PTO must be clearly in charge of the activity, including advertising the activity.

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To determine if the PTA or PTO directed or supervised the activity, **all** of the following criteria are used:

1. If there was a contract involved, **the PTA or PTO must have signed the contract in accordance with their bylaws.** If someone else (i.e., a school district representative) signed the contract, then the activity is not a PTA or PTO activity.
2. The PTA or PTO must have been involved in the creation and planning of the activity, as well as the implementation, operation and management of the activity. It must also:
 - provide the majority of manpower for the activity through its volunteer members;
 - have a properly structured committee for the activity; and
 - provide insurance for the activity.
3. School district employees should be involved only on their own personal (non staff) time unless the employee's job description requires them to serve in an advisory capacity.
4. The activity must follow PTA or PTO guidelines which may include:
 - approval by the PTA or PTO membership or Executive board; and
 - being a part of their budget.
5. A facility use permit may be required by the school district, in accordance with district policy.
6. Moneys collected from the fundraising activity are not to be counted by school district employees, held in a district facility or school safe, or be deposited into a district bank account. Instead, money is to be counted by the designated PTA/PTO representative in accordance with its rules. It must be deposited into a separate bank account which is operated solely by the PTA or PTO.
7. When students are asked to participate in a PTA or PTO fundraiser, it must be clearly advertised that the activity is a PTA or PTO event. Students are discouraged from collecting money for the PTA or PTO. A contract between the PTA or PTO and the ASB is advisable when students are asked to work a PTA or PTO event, because it clearly defines the responsibility and distribution of the funds.
8. By Washington State PTA rules, local PTA chapters are not allowed to sponsor student athletic contests.

If the activity does not meet these criteria, then it is not a PTA or PTO activity and the money raised at the activity does not belong to the PTA or the PTO.

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Donations:

PTAs and PTO's making a donation to a school should contact the building Principal to determine district policies and guidelines governing donations.

Non Profit Bulk Mailings:

Usually PTA local units and councils can qualify for a special, reduced non-profit bulk mailing permit. They would do this with the post office where their mailings will be made. The special bulk rate authorization cannot be rented, delegated or loaned to another organization. The special permit indicia is stamped in the upper right hand corner.

The school district can also have a special non-profit bulk mailing permit that is used by the local schools and Administrative departments, and this may not be loaned to the PTA or any other organization. Newsletters to parents/guardians, if paid by either the school district or the PTA, may include PTA or PTO information.

If a PTA council holds a non-profit bulk mailing permit, in addition to the district holding a non-profit bulk mailing permit, the school newsletter may include the dues membership envelope, but they cannot include commercial advertising.

For further information about postal regulations, please contact the U.S. Postal Service. They may be contacted at www.usps.com.

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RCW 28A.320.030 Gifts, conveyances, etc., for scholarship and student aid purposes, receipt and administration.

RCW 28A.325.010 Fees for optional noncredit extracurricular events–Disposition.

RCW 28A.325.020 Associated student bodies–Powers and responsibilities affecting.

RCW 28A.325.030 Associated student body program fund–Fund raising activities-Nonassociated student body program fund moneys.

RCW 28A.320.030 Gifts, conveyances, etc., for scholarship and student aid purposes, receipt and administration.

The board of directors of any school district may accept, receive and administer for scholarship and student aid purposes such gifts, grants, conveyances, devises and bequests of personal or real property, in trust or otherwise for the use or benefit of the school district or its students; and sell, lease, rent or exchange and invest or expend the same or the proceeds, rents, profits and income thereof according to the terms and conditions thereof, if any, for the foregoing purposes; and enter into contracts and adopt regulations deemed necessary by the board to provide for the receipt and expenditure of the foregoing.

RCW 28A.325.010 Fees for optional noncredit extracurricular events–Disposition.

The board of directors of any common school district may establish and collect a fee from students and nonstudents as a condition to their attendance at any optional noncredit extracurricular event of the district which is of a cultural, social, recreational, or athletic nature: PROVIDED, That in so establishing such fee or fees, the district shall adopt regulations for waiving and reducing such fees in the cases of those students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees and may likewise waive or reduce such fees for nonstudents of the age of sixty-five or over who, by reason of their low income, would have difficulty in paying the entire amount of such fees.

An optional comprehensive fee may be established and collected for any combination or all of such events or, in the alternative, a fee may be established and collected as a condition to attendance at any single event. Fees collected pursuant to this section shall be deposited in the **associated student body** program fund of the school district, and may

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be expended to defray the costs of optional noncredit extracurricular events of such a cultural, social, recreational, or athletic nature, or to otherwise support the activities and programs of **associated student bodies**.

RCW 28A.325.020 Associated student bodies—Powers and responsibilities affecting.

As used in this section, an "**associated student body**" means the formal organization of the students of a school formed with the approval of and regulation by the board of directors of the school district in conformity to the rules and regulations promulgated by the superintendent of public instruction: PROVIDED, That the board of directors of a school district may act or delegate the authority to an employee of the district to act as the **associated student body** for any school plant facility within the district containing no grade higher than the sixth grade.

The superintendent of public instruction, after consultation with appropriate school organizations and students, shall promulgate rules and regulations to designate the powers and responsibilities of the boards of directors of the school districts of the state of Washington in developing efficient administration, management, and control of moneys, records, and reports of the **associated student bodies** organized in the public schools of the state.

RCW 28A.325.030 Associated student body program fund—Fund raising activities-Nonassociated student body program fund moneys.

There is hereby created a fund on deposit with each county treasurer for each school district of the county having an **associated student body** as defined in RCW 28A.325.020. Such fund shall be known as the **associated student body** program fund. Rules adopted by the superintendent of public instruction under RCW 28A.325.020 shall require separate accounting for each **associated student body's** transactions in the school district's **associated student body** program fund.

All moneys generated through the programs and activities of any **associated student body** shall be deposited in the **associated student body** program fund. Such funds may be invested for the sole benefit of the **associated student body** program fund in items enumerated in RCW 28A.320.320 and the county treasurer may assess a fee as provided therein. Disbursements from such fund shall be under the control and supervision, and with the approval, of the board of directors of the school district, and shall be by warrant as provided in chapter 28A.350 RCW: PROVIDED, That in no case shall such warrants be issued in an amount greater than the funds on deposit with the county treasurer in the **associated student body** program fund.

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To facilitate the payment of obligations, an imprest bank account or accounts may be created and replenished from the **associated student body** program fund.

The **associated student body** program fund shall be budgeted by the **associated student body**, subject to approval by the board of directors of the school district. All disbursements from the **associated student body** program fund or any imprest bank account established thereunder shall have the prior approval of the appropriate governing body representing the **associated student body**.

Notwithstanding the provisions of RCW 43.09.210, it shall not be mandatory that expenditures from the district's general fund in support of **associated student body** programs and activities be reimbursed by payments from the **associated student body** program fund.

Subject to applicable school board policies, student groups may conduct fund raising activities, including but not limited to soliciting donations, in their private capacities for the purpose of generating nonassociated student body fund moneys. The school board policy shall include provisions to ensure appropriate accountability for these funds.

Nonassociated student body program fund moneys generated and received by students for private purposes to use for scholarship, student exchange and/or charitable purposes shall be held in trust in one or more separate accounts within an associated student body program fund and be disbursed for such purposes as the student group conducting the fund raising activity shall determine: PROVIDED, That the school district shall either withhold an amount from such moneys as will pay the district for its direct costs in providing the service or otherwise be compensated for its cost for such service.

Nonassociated student body program fund moneys shall not be deemed public moneys under section 7, Article VIII, of the state Constitution. Notice shall be given identifying the intended use of the proceeds. The notice shall also state that the proceeds are nonassociated student body funds to be held in trust by the school district exclusively for the intended purpose. "Charitable purpose" under this section does not include any activity related to assisting a campaign for election of a person to an office or for the promotion or opposition to a ballot proposition.

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- WAC 392-138-003 Authority.
- WAC 392-138-005 Purposes.
- WAC 392-138-010 Definitions.
- WAC 392-138-011 Formation of associated student bodies required.
- WAC 392-138-013 Powers – Authority and policy of board of directors.
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- WAC 392-138-017 Segregation of public and private moneys.
- WAC 392-138-018 Petty cash funds.
- WAC 392-138-019 Compliance with bid law required.
- WAC 392-138-021 Title to property – Dissolution of associated student body or affiliated group.
- WAC 392-138-105 Associated student body public moneys – Fees optional noncredit extracurricular events.
- WAC 392-138-110 Associated student body public moneys – Associated student body program budget.
- WAC 392-138-115 Associated student body public moneys – Deposit and investment.
- WAC 392-138-120 Associated student body public moneys – Imprest bank checking account.
- WAC 392-138-125 Associated student body public moneys – Disbursement approval – Total disbursements.
- WAC 392-138-130 Associated student body public moneys – League and other joint activities.
- WAC 392-138-200 Nonassociated student body private moneys.
- WAC 392-138-205 Nonassociated student body private moneys – Deposit and investment.

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WAC 392-138-210 Nonassociated student body private moneys – Disbursement approval – Total disbursements.

WAC 392-138-003 Authority.

The authority for this chapter is RCW 28A.325.020 which authorizes the superintendent of public instruction to adopt rules and regulations regarding the administration and control of associated student body moneys.

WAC 392-138-005 Purposes.

The purposes of this chapter are to: (1) Implement RCW 28A.325.020, (2) designate the powers and responsibilities of the board of directors of each school district regarding the efficient administration, management, and control of moneys, records, and reports of associated student body funds, (3) encourage the supervised self-government of associated student bodies, and (4) permit fundraising activities by students in their private capacities for the purpose of generating nonassociated student body private moneys.

WAC 392-138-010 Definitions.

- (1) "Associated student body organization" means a formal organization of students, including subcomponents or affiliated student groups such as student clubs, which is formed with the approval, and operated subject to the control, of the board of directors of a school district in compliance with this chapter.
- (2) "Associated student body program" means any activity which (a) is conducted in whole or part by or in behalf of an associated student body during or outside regular school hours and within or outside school grounds and facilities, and (b) is conducted with the approval, and at the direction or under the supervision, of the school district.
- (3) "Central district office" means the board of directors and/or their official designee to whom authority has been delegated to act in their behalf.
- (4) "Associated student body public moneys" means fees collected from students and nonstudents as a condition to their attendance at any optional noncredit extracurricular event of the school district which is of a cultural, social, recreational or athletic nature, revenues derived from "associated student body programs" as defined in subsection (2) of this section, and any other moneys received by an associated student body, not specified in subsection (5) of this section and WAC 392-138-100, for the support of an associated student body program.
- (5) "Nonassociated student body private moneys" means moneys generated by fundraising activities or solicitation of donations by student groups in their private capacities for private purposes and/or private gifts and contributions.

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(6) "Associated student body governing body" means the student council, student activities board, or other officially recognized group of students appointed or elected to represent the entire associated student body within a school in accordance with procedures established by the board of directors of the school district.

(7) "Trust fund" means a fund used to account for assets held by the district in a trustee capacity for the specific purpose designated by the fundraising group and described in the notice provided to donors prior to the fundraising event. Such moneys must be accounted for separately from associated student body public moneys

(8) "Held in trust" means held as private moneys either within a separate account within the associated student body fund or in a trust fund to be disbursed exclusively for an intended purpose.

[Statutory Authority: RCW 28A.58.115, 84-13-025 (Order 84-15), § 392-138-010, filed 6/13/84; Order 4-76, § 392-138-010, filed 3/4/76, effective 7/1/76.]

WAC 392-138-011 Formation of associated student bodies required.

The formation of an associated student body shall be mandatory and a prerequisite whenever one or more students of a school district engage in money-raising activities with the approval and at the direction or under the supervision of the district: *Provided*, That the board of directors of a school district may act, or delegate the authority to an employee(s) of the district to act, as the associated student body governing body for any school facility within the district containing no grade higher than the sixth grade.

WAC 392-138-013 Powers – Authority and policy of board of directors.

(1) The board of directors of each school district shall:

(a) Retain and exercise the general powers, authority, and duties expressed and implied in law with respect to the administration of a school district and regulation of actions and activities of the associated student bodies of the district including, but not limited to RCW 28A.320.010 (Corporate powers), RCW 28A.150.070 (General public school system administration), RCW 28A.320.030 (Gifts, conveyances, etc., for scholarship and student aid purposes, receipts and administration), RCW 28A.600.010 (Government of schools, pupils, and employees), RCW 28A.320.040 (Bylaws of board and school government), RCW 28A.400.030 (2) and (3) (Superintendent's duties), RCW 28A.600.040 (Pupils to comply with rules and regulations), RCW 43.09.200 (Local Government Accounting—Uniform system of accounting), RCW 36.22.090 (Warrants of political subdivisions), and chapter 28A.505 RCW (School district budgets);

(b) Approve the constitution and bylaws of each district associated student body and establish policies and guidelines relative to:

(i) The identification of those activities which shall constitute the associated student body program;

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- (ii) The establishment of an official governing body representing the associated student body;
 - (iii) The methods and means by which students shall be permitted to raise and otherwise acquire associated student body moneys; and
 - (iv) The designation of the primary advisor to each associated student body and the authority of the primary advisor to designate advisors to the various student subgroup organizations affiliated with an associated student body;
- (c) Assign accounting functions, or portions thereof, to the school building level to be performed by a designated representative of an associated student body or centralize the accounting functions at the district central administrative office level; (d) Provide for the participation of the associated student body or bodies of the school district in the determination of the purposes for which associated student body public moneys and nonassociated student body private moneys if held as private moneys within the associated student body fund shall be budgeted and disbursed; and
- (2) If the district permits students to conduct fundraising activities and solicitation of donations in their private capacities they shall establish policies to permit such activities and the allowable uses of such moneys. The board policy and/or procedures must include the approval process for such activities as well as provisions to ensure appropriate accountability for these funds, which are required to be held in trust.

WAC 392-138-014 Accounting procedures and records.

Associated student body public and nonassociated student body private moneys shall be accounted for as follows:

- (1) Accounting methods and procedures shall comply with such rules and regulations and/or guidelines as are developed by the state auditor and the superintendent of public instruction and published in the Accounting Manual for Public Schools in the State of Washington and/or other publications;
- (2) Whenever two or more associated student bodies exist within a school district, the accounting records shall be maintained in such a manner as to provide a separate accounting for the transactions of each associated student body in the associated student body program fund;
- (3) The fiscal and accounting records of associated student body program moneys shall constitute public records of the school district, shall be available for examination by the state auditor, and shall be preserved in accordance with statutory provisions governing the retention of public records; and
- (4) Nonassociated student body private moneys shall be held in trust by the school within the associated student body fund or within a trust fund and be disbursed exclusively for such purposes as the student group conducting the fundraising activity shall determine, subject to applicable school board policies. The district shall either withhold or otherwise be compensated an amount from such moneys to pay its direct costs in providing the

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service. Such funds are private moneys, not public moneys under section 7, Article VIII of the state Constitution.

WAC 392-138-017 Segregation of public and private moneys.

When a school district has associated student body organizations that receive both public and private moneys as defined in **WAC 392-138-010** (4) and (5), two separate sets of accounts shall be maintained. In addition, separate accounting records should be maintained by organization or purpose including clubs, classes, athletic activities, private purpose fundraising events, and general associated student body.

WAC 392-138-018 Petty cash funds.

The board of directors of a school district may authorize the establishment and maintenance of associated student body petty cash funds for use in instances when it is impractical to make disbursement by warrant or check, subject to the following conditions:

- (1) A petty cash fund shall be initiated by warrant or check;
- (2) Paid-out receipts shall constitute invoices for the purpose of vouchering; and
- (3) An upper limit of the amount of the petty cash fund shall be established by the board of directors.

WAC 392-138-019 Compliance with bid law required.

The statutory provisions of RCW 28A.335.190, the so-called "bid law" governing school district purchasing procedures, shall govern purchases payable from the associated student body funds.

[Statutory Authority: 1990 c 33. 90-16-002 (Order 18), § 392-138-065, filed 7/19/90, effective 8/19/90; Order 4-76, § 392-138-065, filed 3/4/76, effective 7/1/76.]

WAC 392-138-021 Title to property--Dissolution of associated student body or affiliated group.

Title to all property acquired through the expenditure of associated student body public moneys shall be vested in the school district. In the event a member organization affiliated with an associated student body elects to disband or ceases to exist for any reason, then (a) the school district and parent associated student body shall cease carrying any money or account on behalf of or to the credit of the organization, and (b) the records of the organization shall be retained and disposed of in accordance with applicable state law regarding the retention and destruction of public records.

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WAC 392-138-105 Associated student body public moneys—Fees optional noncredit extracurricular events.

The board of directors of any common school district may establish and collect a fee from students and nonstudents as a condition to their attendance at any optional noncredit extracurricular event of the district which is of a cultural, social, recreational, or athletic nature: *Provided*, That in so establishing such fee or fees, the district shall adopt regulations for waiving and reducing such fees in the cases of those students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees and may likewise waive or reduce such fees for nonstudents of the age of sixty-five or over who, by reason of their low income, would have difficulty in paying the entire amount of such fees.

An optional comprehensive fee may be established and collected for any combination or all of such events or, in the alternative, a fee may be established and collected as a condition to attendance at any single event. The board of directors shall adopt policies which state that: (1) Attendance and the fee are optional, and (2) the district will waive and reduce fees for students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees.

Fees collected pursuant to this section shall be designated as associated student body public moneys and shall be deposited in the associated student body program fund of the school district. Such funds may be expended to defray the costs of optional noncredit extracurricular events of such a cultural, social, recreational, or athletic nature, or to otherwise support the public activities and programs of associated student bodies.

WAC 392-138-110 Associated student body public moneys—Associated student body program budget

Each associated student body of a school district, with the guidance of the primary advisor, and at such time as is designated by the central district office, annually shall prepare and submit a financial plan (budget) for support of the associated student body program to the district superintendent or his/her designee for consolidation into a district associated student body program fund budget and then present such budget to the board of directors of the district for its review, revision, and approval: *Provided*, That revisions of the budget submitted by an associated student body and revisions of the budget approved by the board of directors shall first be reviewed by the associated student body and, in the case of an approved budget, shall be subject to the requirements of chapter 28A.505 RCW regarding emergency expenditures or budget extensions. The budget as approved shall constitute an appropriation and authorization for the disbursement of funds for the purposes established in the budget.

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WAC 392-138-115 Associated student body public moneys—Deposit and investment.

All associated student body public moneys, upon receipt, shall be transmitted intact to the district depository bank and then to the county treasurer or directly to the county treasurer for deposit to the credit of the "associated student body program fund" of the school district and shall be accounted for, expended, and invested subject to the practices and procedures governing other moneys of the district except as such practices and procedures are modified by or pursuant to this chapter.

WAC 392-138-120 Associated student body public moneys—Imprest bank checking account.

The board of directors of a school district may authorize the establishment and maintenance of an associated student body imprest bank checking account for convenience and efficiency in expediting disbursements, subject to the following conditions:

- (1) The maximum amount of such an account shall be no more than is necessary to provide for disbursements at the level of the month of highest estimated demand for disbursements;
- (2) An imprest bank checking account shall be initiated by deposit of, and replenished by, a warrant drawn on the associated student body program fund;
- (3) Disbursements from an imprest bank checking account shall be by check and shall be restricted to payments of invoices bearing evidence of student approval in accordance with associated student body bylaws;
- (4) An imprest bank checking account shall be replenished at least once each month by a warrant drawn on the associated student body program fund in payment of an approved voucher in an amount equal to the sum total of the disbursements made by check from the imprest bank checking account during the preceding interval; and
- (5) The replenishment voucher shall reflect such information as the central district office shall prescribe relative to identification of invoices, invoice approvals, codification of expenditures, cancelled checks, and other information deemed pertinent.

WAC 392-138-125 Associated student body public moneys—Disbursement approval – Total disbursements.

Associated student body public moneys shall be disbursed subject to the following conditions:

- (1) No disbursements shall be made except as provided for in the budget approved pursuant to WAC 392-138-040;

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- (2) Disbursements shall occur only upon presentation of properly prepared vouchers in such format and design as the central district office shall prescribe;
- (3) All disbursements from the associated student body program fund or any imprest bank account established there under shall have the prior approval of the appropriate governing body representing the associated student body. Supporting documentation of the vouchers shall bear evidence of approval by the associated student body governing body in accordance with associated student body bylaws;
- (4) When an account within the fund balance of an associated student body organization does not contain a sufficient balance to meet a proposed disbursement, such disbursement shall be limited to the fund balance: Provided, That a transfer of fund balance between associated student body organizations may be made pursuant to the associated student body bylaws and as approved by the associated student body governing body;
- (5) Warrants shall not be issued in excess of the moneys on deposit with the county treasurer in the associated student body program fund; and
- (6) All disbursements shall be made by warrant except for disbursements from imprest bank accounts and petty cash funds provided for in this chapter.

WAC 392-138-130 Associated student body public moneys – League and other joint activities.

Athletic league and other forms of joint inter and intra school district associated student body programs are not precluded by this chapter. In the case of such joint programs, a single school district or associated student body or a board representing the participating associated student bodies shall manage associated student body moneys made available to it for the support of the joint program and received as a result of the conduct of such program, in compliance with this chapter and a written cooperative agreement authorized by the board(s) of directors of the district(s).

WAC 392-138-200 Nonassociated student body private moneys.

The board of directors of a school district may permit student groups to raise moneys through fundraising or solicitation in their private capacities when the following conditions are met:

- (1) Prior to solicitation of such funds, the school board approves policies defining the scope and nature of fundraising permitted. School board policy includes provisions to ensure appropriate accountability, including prompt deposit, holding the moneys in trust, and disbursement only for the intended purpose of the fund-raiser;
- (2) Such funds are used for scholarship, student exchange, and/or charitable purposes. Charitable purposes do not include any activity related to assisting a campaign for election of a person to an office or promotion or opposition to a ballot proposition;

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- (3) Prior to solicitation of such funds notice is given. Such notice identifies the intended purpose of the fundraiser, further it states the proceeds are nonassociated student body funds to be held in trust by the school district exclusively for the intended purposes;
- (4) The school district withholds or otherwise is compensated an amount adequate to reimburse the district for its direct costs in handling these private moneys; and
- (5) WAC 392-138-205 applies to moneys received, deposited, invested, and accounted for under this section.

Nonassociated student body private moneys shall not be deemed public moneys under section 7, Article VIII of the state Constitution.

WAC 392-138-205 Nonassociated student body private moneys—Deposit and investment.

All nonassociated student body private moneys, upon receipt, shall be transmitted intact to the district depository bank and then to the county treasurer or directly to the county treasurer for deposit to the credit of the school district's trust fund or the associated student body fund, if held in trust within that fund within accounts as defined in WAC 392-138-010 and shall be accounted for, expended, and invested subject to applicable school board policy and/or procedures pursuant to WAC 392-138-200.

WAC 392-138-210 Nonassociated student body private moneys—Disbursement approval—Total disbursements

Nonassociated student body private moneys shall be disbursed subject to the following conditions:

- (1) If such funds are held in trust within the associated student body fund they shall be budgeted pursuant to WAC 392-138-013(1)(d). No disbursements shall be made except as provided for in the budget approved pursuant to WAC 392-138-110. All disbursements shall have the prior written approval of the associated student body or such other authority designated in school district policy or procedures;
- (2) If such funds are held in a trust fund they are not budgeted. Disbursements shall occur only upon presentation of properly prepared vouchers in such format and design as the central district office shall prescribe, and as provided for in subsection (3) of this section;
- (3) Vouchers authorizing disbursements shall be accompanied by written evidence of approval of disbursement by the associated student body or other authority designated in the school district's policies and procedures;
- (4) Disbursements shall be made only for the intended purposes pursuant to WAC 392-138-200.

DONATION FORM (Sample)

Pioneer Elementary PTSA hereby gives to the Pioneer Elementary School,
in the Arlington School

_____ (\$ _____) by check
number _____ .

This grant is for the sole and express purpose of:

It is agreed that the grant funds will be spent for the stated purpose on or before _____ (date). Any unused or unexpected funds must be reported to the Pioneer Elementary PTSA. PTSA approval is required to spend any remaining funds. Pioneer Elementary will provide a complete accounting of the expenditure of the grant funds to the PTSA when requested.

Date: _____

PTSA Officer

PTSA Officer

Date: _____

Principal

Donation Agreement (sample)

The AHS Booster Club hereby gives to Arlington High School, in the Arlington School District, a donation in the amount of \$4,000.00.

This donation is to be used at the discretion of the principal at Arlington High School for the purchase of a screen and projector for the AHS commons and any other additional requisitions deemed appropriate that will benefit the student body of Arlington High School.

It is agreed that the donation will be used for the stated purpose at any time during the 2011-2012 school year and may be carried forward to future school years. Any unused or unexpected funds will be refunded to the granting party. Arlington High School will provide a complete accounting of the expenditure of the grant funds when requested.

Date: _____

Donor/Title

Donor/Title

Date: _____

Principal (or designee)

Superintendent (or designee on donations of \$1,000 or more)

Tax ID #: 91-0898027

Contract between
Camelot Elementary & Camelot PTA

I, _____, as an authorized representative of Camelot Elementary, do hereby agree to allow Camelot PTA to house the following items at the school:

- Popcorn machine
- Cotton candy machine
- Locking mailbox (mounted)
- File cabinets – 1 two-drawer, 1 four-drawer
- Carnival games as listed in Carnival binder

The above-listed items are understood to be property of Camelot PTA.

Signed on this _____ day of _____, 20____.

Camelot Elementary Representative: _____

Camelot PTA President: _____

Conflict of Interest Policy Agreement SAMPLE

1. The purpose of this policy is to protect this tax-exempt organization's interest when it is contemplating or entering into a transaction or arrangement that might benefit the private interest of an officer or director of the _____ PTA/PTSA or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.
2. Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below is an interested person.
3. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which the _____ PTA/PTSA has a transaction or arrangement
 - b. A compensation arrangement with the _____ PTA/PTSA or with any entity or individual with which _____ PTA/PTSA has a transaction or arrangement
 - c. Or a potential ownership or investment interest in, compensation arrangement with, any entity or individual with which _____ PTA/PTSA is negotiating a transaction or arrangement.
4. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
5. A financial interest is not necessarily a conflict of interest. Under this policy, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists. (See Conflict of Interest Procedures)
6. The procedures for the conflict of interest policy shall include:
 - a. **Duty to Disclose**
In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
 - b. **Determining Whether a Conflict of Interest Exists**
After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
 - c. **Procedures for Addressing the Conflict of Interest**
 - a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
- d. Violations of the Conflicts of Interest Policy
- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.
7. The records of proceedings regarding conflicts of interest for the governing board and all committees with board delegated powers shall include:
- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the person who were present for discussions and votes relating to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.
8. A voting member of the governing board who receives compensation, directly or indirectly, from _____ PTA/PTSA for services is precluded from voting on matters pertaining to that member's compensation.
9. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly from _____ PTA/PTSA for services is precluded from voting on matters pertaining to that member's compensation.
10. Reimbursement of allowable expenses under _____ PTA/PTSA financial policies is not considered compensation.
11. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from _____ PTA/PTSA, either individually or collectively, is prohibited from providing information to any committee regarding compensation.
12. Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement within 15 days of election or appointment, a statement which affirms such person:
- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy;
- c. Has agreed to comply with the policy; and
- d. Understands _____ PTA/PTSA is charitable and in order to maintain its federal tax exemptions it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
13. In order to ensure _____ PTA/PTSA operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to _____ PTA/PTSA's written policies, are properly records, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurnment, impermissible private benefit, or in excess benefit transaction.
14. When conducting the periodic reviews as provided for in this policy, _____ PTA/PTSA may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Board Member Name: _____

Board Position: _____

Signature: _____ Date: _____