

**Disclaimer:** Please note that the USOE model policies and procedures are general guidelines. These model policies are suggested best practices, and LEAs are not required to use or adopt these specific policies. LEAs are encouraged to modify these policies and procedures to adapt to the current environment of each specific LEA. Not every LEA has the same personnel positions as listed in the model policies and procedures, please modify the positions to conform to your LEA's circumstances and size.

# Fundraising Model Policy

## A. PURPOSE

The purpose of this policy is to establish LEA policy and procedures governing the initiation, authorization, and review of all fundraising activities of the LEA and individual schools. This policy is intended to create practices that adequately safeguard public funds, provide for accountability, and ensure compliance with state and federal laws.

The LEA encourages community and business partnerships that enhance and supplement the public education system. The LEA also desires to protect students, parents, teachers, and school administrators from over-commercialization and fundraising efforts that are coercive and disruptive to the education processes, threatening to the health and welfare of students, or lacking in educational merit.

## B. SCOPE

This policy applies to all LEA administrators, licensed educators, staff members, students, organizations, volunteers and individuals who initiate, authorize, or participate in fundraising events or activities for school-sponsored events.

It is expected that in all dealings, LEA and school employees will act ethically and consistent with the LEA's ethics training, the Utah Educators Standards, the Public Officers' and Employees' Ethics Act, and State procurement law.

## C. GENERAL POLICY STATEMENTS FOR LEA & SCHOOL-SPONSORED ACTIVITIES

1. "Public funds" are money, funds, and accounts, regardless of the source from which the funds are derived, that are owned, held, or administered by the state or any of its political subdivisions, including LEAs or other public bodies (Utah Code 51-7-3[26]).
2. Fundraising is permitted within the LEA to allow the LEA and schools to raise additional funds to supplement school-sponsored academic and co-curricular programs.
3. "School-sponsored" means activities, fundraising events, clubs, camps, clinics, programs, sports, etc., or events, or activities that are authorized by the LEA or individual school(s) that support the LEA or authorized curricular school clubs, activities, sports, classes or programs that also satisfy one or more of the following criteria. The activity:
  - a. Is managed or supervised by an LEA or public school, or LEA or public school employee.
  - b. Uses the LEA or public school's facilities, equipment, or other school resources.
  - c. Is supported or subsidized, more than inconsequently, by public funds, including the public school's activity funds or minimum school program dollars.
  - d. Does not include non-curricular clubs specifically authorized and meeting all criteria of Utah Code 53A-11-1205 through 1208.
4. The LEA recognizes that fundraising efforts, donations, and public support vary among schools. The LEA is committed to appropriate distribution of unrestricted funds and the management of fundraising to ensure that the educational opportunities of all students are equal and fair.

5. The LEA is committed to principles of gender equity and compliance with Title IX guidance. The LEA commits to use all facilities, unrestricted gifts and other available funds in harmony with these principles. The LEA reserves the right to decline or restrict donations, gifts, and fundraising proceeds, including those that might result in gender inequity or a violation of Title IX. Fundraising opportunities should be equitable for all students, comply with Title IX, and be in harmony with Article X of the Utah Constitution.
6. All fees for school-sponsored activities must be properly noticed and approved by the local board of education and are subject to fee waiver provisions in R277–407.
7. Principals, consistent with LEA policy, have the responsibility to waive fees, if appropriate. Individual teachers, coaches, advisors, etc. do not have the authority to waive board-approved fees.
8. Annually, each LEA division, department, or program and individual school will review all planned camps, clinics, activities, and fundraisers and determine those designated as school-sponsored. Those not designated as school-sponsored will follow the non-school-sponsored criteria in Section E.
9. All monies raised through fundraisers for school-sponsored activities are considered public funds. The LEA and individual schools are ultimately responsible for the expenditure and allocation of all monies collected and expended through student, school-organized fundraising.
10. The collection of money associated with fundraisers for school-sponsored activities will comply with the LEA cash receipting policies.
11. The expenditure of any public funds associated with fundraisers for school-sponsored activities will comply with the LEA cash disbursement policies.
12. Properly approved school-sponsored activities may:
  - a. Use the school’s name, facilities, and equipment.
  - b. Utilize LEA employees and other resources to supervise, promote, and otherwise staff the activity or fundraiser.
  - c. Be insured under the LEA’s risk management policy (pending approval by the LEA risk manager) or general liability insurance policy.
  - d. Provide additional compensation or stipends for LEA employees with the approval of the principal or immediate supervisor and under LEA payroll policies.
13. School-sponsored activities must comply with all fee approval and fee waiver provisions established in Utah Code and Utah State Board of Education rules. LEAs may be responsible for providing student transportation for these activities.
14. Authorization and supervision of fundraising for school-sponsored activities:
  - a. Fundraising at the LEA level shall be approved in writing, prior to the activity, by the superintendent or applicable assistant superintendent/director and supervised by LEA employee(s) designated by the approver. The approver shall ensure that the activity is appropriately classified as a school- or LEA-sponsored activity.
  - b. Fundraising at individual schools shall be approved in writing, prior to the activity, by the principal and supervised by a member of the faculty or other LEA employee designated by the principal. The approver shall ensure that the activity has been appropriately classified as a school-sponsored activity. Principals may approve fundraisers or activities where the expectation is to earn up to \$10,000. Fundraisers expected to earn more than \$10,000 and up to \$50,000 must be approved in writing by the superintendent. Fundraisers expected to earn more than \$50,000 must be approved by the LEA’s board.
  - c. Donations from individuals or organizations will follow the LEA’s gift and donation policy.
  - d. The sale of banners, advertising, signs, or other promotional material that will be

displayed on school property must be approved by the principal before the items are initiated or printed, and must meet community standards. Partisan or political advertising and advertising for products that are prohibited by law for sale or use by minors, such as alcohol, tobacco, or other substances that are known to endanger the health and well-being of students, are prohibited.

- e. All fundraising projects for construction, maintenance, facilities renovation or improvement and other capital equipment purchases must be approved in writing by the business administrator, the superintendent, and the LEA board. (See capital fundraising section below.)

#### **D. GENERAL FUNDRAISING STANDARDS FOR LEA & SCHOOL-SPONSORED ACTIVITIES**

1. The LEA reserves the right to prohibit, restrict or limit any fundraising activities associated with the LEA or individual schools.
2. Faculty and student participation in fundraisers is typically voluntary. However, employees may be directed to supervise specific activities as an employment assignment. Students, including fee-waiver-eligible students, may be required to participate fully in school, team, or group-wide fundraisers in order to benefit from fundraisers.
3. Participation in fundraising shall not affect a student's grade. Students shall not be required to participate in fundraising activities as a condition of belonging to a team, club or group, nor shall a student's fundraising effort affect his/her participation time or standing on any team, club or group, except as to fee waiver requirements.
4. Competitive enticements for participation in fundraisers are discouraged. If prizes or rewards are offered by a selected fundraising vendor, they should only be awarded to groups, classes or students, and must be disclosed and approved prior to the fundraiser. Rewards, prizes, commissions, or other direct or indirect compensation shall not be received by any teacher, activity, club or group director, or any other LEA employee or volunteer.
5. Schools may not impose a sales quota (or the like) as part of fundraising efforts, and students or parents shall not be required to pay for any unsold items, or pay for goals not met.
6. Door-to-door sales are prohibited for all students in elementary and middle schools. High school students may participate in one door-to-door campaign per sport, club, or group per year. Suitable procedures must be used by the schools, administrators and supervising faculty to safeguard students and funds collected. Procedures must be clearly communicated to parents.
7. Approval may be denied for fundraising activities that would expose the school or LEA to risk of financial loss or liability if the activity is not successful.
8. Fundraising activities shall be age appropriate, and shall maintain the highest standards of ethical responsibility and integrity.
9. Fundraising revenues should be accounted for at an individual contribution level or participation level. Participation logs should be retained and turned into the accounting office to be included with the deposit detail.
10. Employees who approve, manage, or oversee fundraising activities are required to disclose if they have a financial or controlling interest or access to bank accounts in a fundraising organization or company.
11. Records of all fundraising efforts shall be open to the parents, students and donors, including accurate reporting on participation levels and financial outcomes. This policy does not require the release of students' personally identifiable information protected by FERPA.

## E. NON-SCHOOL-SPONSORED ACTIVITIES & FUNDRAISERS

1. Activities, clubs, groups and their associated fundraisers or other activities that are not school-sponsored or groups, clubs, sports, and programs that are not managed by LEA employees are deemed to be non-school-sponsored. Non-school-sponsored activities may:
  - a. NOT use the school's or LEA's name without express LEA permission.
  - b. NOT use the LEA's facilities, equipment, and other assets or staff unless a facilities use agreement is initiated and approved. These agreements should follow LEA policy for other facilities use agreements.
  - c. NOT utilize LEA employees (in their official capacity) and other resources to supervise, promote, and otherwise staff the activity or fundraiser.
  - d. NOT be insured under an LEA's risk management or insurance policy. Non-school-sponsored activities must provide their own insurance through a third-party insurer.
  - e. NOT provide additional compensation or stipends for LEA employees, if the activity is not substantially different from an LEA employee's regular job functions and duties and outside of employee's contract hours. (See LEA employee disclosure agreement below.)
  - f. Not co-mingle public funds and private fundraising proceeds or expenditures.
  - g. Not use school records to contact parents or students.
2. Parental notification by an LEA employee is required if LEA employees are involved in the planning, administration, advertising, or serving as staff for a non-school-sponsored activity and if LEA students are involved. This notification shall occur using the "Non-School-Sponsored Parent Notification" form. A copy of this form shall be submitted to the principal by the LEA employee prior to the event.
3. Funds, donations, or gifts generated through non-school-sponsored activities or events may be donated to the LEA or to an individual school to support specific programs, teams, groups, clubs, etc. All donations or gifts shall follow the guidance established in the LEA's donations and gifts policy.
4. Non-school-sponsored activities may work in conjunction with the LEA or an individual school to raise funds. The LEA may allow these groups to use LEA facilities at little or no charge in exchange for contributions or percentages of proceeds. The LEA may choose to provide some level of support or pay for portions of these activities. These arrangements shall be set forth in a written agreement or contract, and all transactions will be conducted as "arm's-length transactions." These agreements shall take into consideration the LEA's fiduciary responsibility for the management and use of public funds and assets. The terms of these contracts will be approved by the principal, the facilities use agreement approver, and the business administrator. The LEA will consult with its insurer or legal counsel to ensure risks are adequately considered and managed.
5. Non-curricular clubs specifically authorized under Utah Code 53A-11-1205 through 1208 are not considered school-sponsored.

(See the chart: "Is It School-sponsored?")

## F. EMPLOYEE RELATIONSHIPS & DISCLOSURE

1. Participation in Private or Non-School-Sponsored Events
  - a. LEA employees:
    - (1) May participate in a private but public education-related activity, such as LDS seminary graduation and firesides, extracurricular travel, etc.
    - (2) Must ensure that personal participation in activities is separate and distinguishable from the employee's public employment, official job title, or job duties.
    - (3) May not contact students in the LEA using education records or information

- obtained through public employment unless the records or information are available to the general public.
- (4) May not use school time to discuss, promote, or prepare for a private or non-school-sponsored activity.
  - (5) May offer public education-related services, programs or activities to students, provided they are not advertised or promoted during school time or using any type or amount of school resources.
  - (6) May use school or student publications available to the general public to advertise and promote the private or non-school-sponsored activity.
  - (7) May not require private or non-school-sponsored activities for credit or participation in school programs.
  - (8) Must satisfy all requirements of Utah Code 53A-1-402.5, regarding ethical conduct standards, and R277-107, regarding educational services outside of the educator's regular employment.
2. LEA employees may purchase advertising space to promote private or non-school-sponsored events in the same manner as the general public. The LEA employee's employment and experience can be used to demonstrate qualifications. The advertisement must specifically state that the activity is not school-sponsored. (See R277-107-5 through 6.)
  3. LEA employees may engage in outside employment with a private entity or other separate organizations that does not interfere with LEA duties or job functions. Employees must complete the LEA disclosure agreement annually when engaging in outside employment that is similar to the employee's official job duties or functions.
  4. Parental notification is required if LEA students are recruited to participate in these activities.
  5. LEA employees may not set up bank accounts for activities or fundraisers associated with LEA responsibilities or job functions.
  6. LEA employees may not direct fees or fundraiser proceeds from school-sponsored activities to outside entities.
  7. LEA employees may not direct operating expenditures to outside funding sources or groups to avoid LEA procurement rules (such as equipment, uniforms, salaries or stipends, improvements, maintenance for facilities, etc.).
  8. LEA employees must comply with LEA procurement policies and procedures, including complying with competitive quotes; bid splitting; and not accepting gifts, gratuities, or kickbacks from vendors or other interested parties.

## G. CAPITAL FUNDRAISING/LARGE FUNDRAISING PROJECTS

1. **All** fundraising projects for construction, maintenance, facilities renovation or improvement, and other capital equipment purchases must be approved in writing by the business administrator, the superintendent, and the LEA's board. Prior to the initiation of a large capital drive or specific fundraising drive, the following will be provided to the business administrator for evaluation and recommendation to the superintendent:
  - a. Prospective construction, maintenance or renovation plans and estimated costs
  - b. Proposed naming opportunities
  - c. Proposed fundraising timeline
  - d. Loans or financing agreements
  - e. Maintenance or upkeep requirements and costs
  - f. Assurances of compliance with Title IX (e.g., available for use by both male and female students and/or for several purposes or activities)
2. The superintendent will make a recommendation to the LEA's board. The board reserves the right to tentatively approve plans, pending fundraising, donations, equity, or other conditions.